Sales Management THE MAGAZINE OF MARKETING

ARE YOUR
VOLUME
DISCOUNTS
ILLEGAL? Page 33



ALSO IN THIS ISSUE

Vending:

From Peanuts to Panties

How Britannica Sells One Out of Three

Suppliers and Unions Clash In West Coast Super Market Squabble





SPECTACULAR? SURE. BUT SO WHAT?

The spectacular is meaningful for a short time only. How is a busy executive to find time and talent to keep interest—and effectiveness—on a high level? His job is to establish objectives and enlist help in reaching those goals. That's why so many

major businesses get the professional help of the Jam Handy Organization. For more than thirty years we've helped them put their ideas across with efficiency and gathered group communications and training know-how that will help YOU.

The JAM HANDY Organization

GROUP PRESENTATION OF IDEAS

MOTION PICTURES . DRAMATIZATIONS . PRESENTATIONS . VISUALIZATIONS . SLIDEFILMS . TRAINING ASSISTANCE

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the slipsheet

an informal "f.y.i." before you read the issue

For issue of June 3, 1960

If you're reading this Slipsheet, you can be pretty certain that Sales Management magazine is not (repeat, not) edited for you.

Slipsheet is slipped into comp copies only. And complimentary copies are distributed to media executives, agency people and a few others with whom we do a cash-on-the-line advertising business...or expect to.

So the real purpose of Slipsheet is to remind you that Sales Management is read by your clients, customers and prospects.

For example, you, personally, may not have a burning desire to read our lead-off story about the FTC's new bare-fisted policy on volume discount selling. But almost every top-flight sales executive on your prospect list whose company offers volume discounts will have an immediate compulsion to turn to page 33.

Likewise, the headline on our vending machine article may merely remind you to buy another pack of cigarettes when you step out for lunch. But the sales-minded executive wears another hat: This story may yield one idea for him which could change the distribution pattern and packaging of an entire product line. To him, vending may offer opportunities—or competitive challenges. (By the way, this is not not just "another" vending story.)

Sales forecasting (page 93) out of your line? Maybe so, directly. But if you're in the advertising field, sales forecasting may influence your business directly--because sales forecasts tell the chief of sales the amount of advertising pressure necessary to make the forecasts come true! It's a hot, vital subject. Fact is, agressive sales bosses forecast competitors' sales.

Point is, your copies of Sales Management magazine give you an opportunity to read "over the shoulder" of your prime prospects. By so doing, you'll be closer to your prospects' problems, objectives. In this respect, we hope Sales Management can be as valuable to you as it is to the executives responsible for the sales performance of the companies marketing America's products and services.

#

The Publishers

Sales Management

636 THIRD AVENUE . NEW YORK 17, NEW YORK

YUKON 6-4800

"the slipsheet" is included only in complimentary copies.

June 3, 1960 Improve the state of the state indicate in a second of the company of the second of the s Top state to read our to the to the second of the second of the respect, we



You're <u>in</u> ...in Indiana with the STAR and the NEWS

To reach and sell the men in Central Indiana's \$3.8 billion, 45-county market—here's the combination that opens the doors for your products or services.



When you advertise in these two top circulation newspapers, you're in more stores—more homes—more offices—getting more action for your advertising dollar.

The Indianapolis Star The Indianapolis News

KELLY-SMITH COMPANY NATIONAL REPRESENTATIVES

Sales Management June 3, 1960



INCOMPARABLE CONVENTION AND SHOW CENTERS IN THE SOUTH

- ★ Central Locations
 ★ Flexible meeting space
 ★ Heavy duty facilities
 ★ Visual and acoustical devices
- Excellent banquet facilities
 Guest rooms modern decor. TV
 Hotels 100% air-conditioned
 Ample garage facilities
 Superb restaurants



DINKLER PLAZA

ATLANTA, GA.
Meetings • 25 to 2000
Banquets • to 1500
Guest Rooms • 600



DINKLER-TUTWILER BIRMINGHAM, ALA.

Meetings • 25 to 1800 Banquets • to 1300 Guest Rooms • 450



DINKLER-JEFFERSON DAVIS

MONTGOMERY, ALA. Meetings • 15 to 350 Banquets • to 275 Guest Rooms • 250



DINKLER-ANDREW JACKSON

NASHVILLE, TENN. Meetings • 40 to 400 Banquets • to 350 Guest Rooms • 400

WRITE SALES MANAGER AT THE HOTEL OF YOUR CHOICE FOR COMPLETE CONVENTION BROCHURE.

Carling Dinkler President Carling Dinkler Jr. Exec. V. P.



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ales Management

THE MAGAZINE OF MARKETING

June 3, 1960	CONTENTS	Vol. 84, No. 11
Advertising		
Altruism Solv (Wirthmore	ves an Ad Problem e Feeds)	88
Direct Mail		
Direct Mail T (Western-V	hat Got Execs to Move Vaxide)	67
Distribution		
Suppliers Ask	k: Who's Next? Where?	79
Forecasts		
Marketing O	outlook for July	121
General Management		
	lume Discounts Illegal?	33
	est Mistakes Executives re to Develop People	Make 74
Leadership		
Clark Equipm	nent Pushes Up in Four	Fields 61
Merchandising		
Vending-fro	m Peanuts to Panties	38
Sales Forecasting		
	sts That Jibe with Perfo & Hecla—Wolverine Tube	
Sales Manpower		
	ldster Salesmen in a Ru	
(Cleaver-B		44
Salesmen	ns Questioned on Ex-Mil	100

Survey of Buying Power July 10 This Year

How Britannica Sells One out of Three

Because of delays in the release of revised figures on 1958 retail sales by the Bureau of the Census, vital to us as a benchmark for projecting 1959 retail sales by states, counties, cities and Metropolitan Areas, the Survey of Buying Power release date has been moved up from the usual May 10 to July 10.

This year the Survey of Buying Power, dated July 10, will carry for the United States and Canada, population estimates as of January 1, 1960, and estimates for the year 1959 on net Effective Buying Income and retail sales, plus cash farm income figures for leading agricultural counties in the U.S.

> The Editors Sales Management

107

HIGHLIGHTS

NEW 'PRICE DISCRIMINATION' HEADACHES

Get ready to defend your volume discounts. "Price discrimination" charges are going to be making more marketing headlines. Under new interpretation of the old Robinson-Patman Act, the FTC is demanding detailed proof that it costs less to sell in quantity.

Page 33

MARCH OF THE ROBOT RETAILER

The spread of coin-operated machines is gaining impact as operating improvements—and imagination—bring vending to an ever-widening list of products and services. And suddenly the marketing implications are enormous.

Page 38

TRAINING AND INSPIRATION . . . AND \$55 MILLION

Why is the Encyclopaedia Britannica salesman considered a paragon in the field of direct selling? Here's EB's answer—the making of the men responsible for its 50%-plus yearly sales increase. Page 107

SALES FORECASTS TO PLAN WITH . . .

. . . get reality from a close meshing of several outlooks. Calumet and Hecla's Wolverine Division can count on at least 97% accuracy in 15-month forecasts by aligning them with projections for pertinent industries as well as the general economy.

Page 93

DEPARTMENTS AND SERVICES

Advertisers' Index	131	Letters	25
Business Activity Forecast	122	Marketing Newsletter	57
Call Report	132	Markets to Watch	128
Corporate Close-up	12	Sales Promotion Idea File	103
Dynamarketer	61	Scratch Pad	73
Executive Shifts	130	Significant Trends	17
From the Editor's Side Pock	et 7	They're in the News	54

Worth Writing for

Depth

IN CIRCULATION

a measure of the publication you need to SELL the PLUMBING-HEATING-COOLING INDUSTRY.

You face a selection among publications in the plumbing-heating-cooling field . . . almost a score complex the issue. You want the most for your money. You want to be sure of readership for your advertising. You try to measure various values of all publications in depth. And among the most important of these is circulation.

Here quality and quantity meet face to face. In every publication but one, you play a hide-and-seek game to discover just who is likely to read your ads. All claim to go to the contractors who buy your products, which means as many as 15 free publications mailed monthly to these buyers. Now, you tell us who reads 15 magazines all dealing with the same subject!

When you've sifted facts, weighed their relative values, you find your most important customers paying to read one magazine, DOMESTIC ENGINEERING. This exclusive in-DEpth value, in-DEpth influence, is what makes DOMESTIC ENGINEERING the first media choice of more manufacturers than any other publication in its field.

CONSULT YOUR ADVERTISING AGENCY

DOMESTIC ENGINEERING
And the Journal of Mechanical Contracting

1801 PRAIRIE AVE., CHICAGO 16 ILUNOIS

are your salesmen FULLY ARMED?



WHEN THEY HAVE "SELLING TOOLSO"

Many of the nation's largest firms use our unique SELLING TOOLS . . . because they work!

SELLING TOOLS will help your men do a better job of prospecting, close more of the difficult sales, increase average size of orders, and hold on to regular customers.

There's no magic about SELLING TOOLS. We've studied successful sales techniques for 41 years. All that we have learned is condensed and powerfully dramatized in SELLING TOOLS. Your salesmen will actually go to work with a new SELLING TOOL each week.

We would like you to have the amazing facts about SELLING TOOLS. Have your secretary complete the coupon and mail it on your letterhead . . . today.

REPRESENTATIVES WANTED: We are expanding throughout the U.S. and possessions. Several territories open to firms or individualexperienced in sales training. If interested, please furnish full details on your letterhead.

JOSEPH LUCHS and STAFF
Sales Consultants since 1919
6701 N. Broad St. Phila. 26, Pa.

Joseph Luchs & Staff P. O. Box 216 Philadelphia 26, Pa.	
Please send complete SELLING TOOLS, with	
Firm	
Title	
Street	
City	

Sales Management

EXECUTIVE OFFICES: 630 Third Ave., New York 17, N. Y., YUkon 6-4800

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Industrial buyers, purchasing agents, design and development engineers, executives, production and plant operating men, etc. find sources of supply for materials, parts, components, machines etc. within the 4 volume, 10,599 page Thomas Register.

Because Thomas Register blankets industry (constantly used by buyers representing over 80% of the total industrial purchasing power in the United States) you get



Responsive Buying



thru direct inquiry response to TR product descriptive advertising

Thomas Register field representatives and editorial list specialists are now in the process of checking and revising the product listings for over IOO,000 individual manufacturers.

If you have added new products to your line, changed specifications, etc. contact your local representative or write today to the New York office—

THOMAS REGISTER





There will now be a long pause
until the customer has slept eight hours,
then made breakfast,
done the dishes,
dressed a toddler in his playsuit,
driven to a market,
and forgotten all but the best commercials.
The best commercials give her ideas she can remember.
Who can afford to run merely good ones
when only the best are remembered?
People buy ideas.

Young & Rubicam, advertising.

-SM

NOTES FROM THE EDITOR'S SIDE POCKET

Whose Ox Is Gored?

When you hear TV or radio panels discuss what is wrong with the U.S., you usually find at least a couple of extremely talkative—even if not very articulate—so-called consumer experts who say that what is wrong is that business is a big conspiracy which gangs up against the poor consumers.

Of course you and I know that "business" is hopelessly divided in its opinions, since what is selfishly good for one segment of business (airlines, for example) is bad for another segment (railroads). An article in the May 2 issue of Barron's Weekly, about the development of the glass fiber industry, shows what is really normal in the highly competitive world of business:

"To educate manufacturers to the ways of fiber glass, the producers have advertised heavily in trade journals, prepared tomes of technical data and sent missionaries into all areas of industry. When these efforts were resisted, they went straight to the consumer. You don't find many battery makers interested in prolonging the life of their product,' says one producer, 'so we hit the consumer market with a wouldn't-you-like-a-longlife-battery campaign. Pretty soon they decided they did, and we had another market."

Business isn't one big happy family. Thank God. Otherwise business life might be very dull.

The Hunters vs. the Hunted

At a recent directors' meeting of the Sales Executives Club of New York, President Philip Kelly offered some good advice to the nominating committee:

"There are two major classes of members in most sales and advertising clubs. There are the representatives of manufacturers and service organizations with budgets for sales and advertising. They are the hunted.

"And there are always hunters in these clubs. They are the ones who want to tap those marketing budgets for media, for sales aids, for promotion materials and the like. In every club you'll find among them the hardest workers and the highest degree of dedication to club service. They are indispensable to any club—but if we

let in too many as members or as committee men or as directors, they may scare away the hunted."

Our man Caldwell reports on the hunters and the hunted at last month's Atlantic City convention of the Super Market Institute.

All over the boardwalk and its hotels, hunters were banging away. The food manufacturers were hunting the store operators.

And hunting the food manufacturers were scores of men representing the big magazines, newspapers and broadcast media.

And hunting the big advertising media were red-capped (figuratively) men who had things or services to sell to these big sellers of advertising.

The winners? Sure winners include hotels, restaurants, night clubs, distillers, aspirin makers. With the others probably it was a mixed bag.

When You Can't Yell Back

If you went into a retail store and a clerk yelled at you, how would you react? Probably you'd walk out and never go into the store again. And yet if you advertise on television, you probably O.K. commercials that have a decibel count far higher than the programs they interrupt.

The other night I watched a late show—one of those with several sponsors—in the living room after my wife had retired. I turned the set down to a low volume. I could hear the program clearly but it wouldn't disturb the spouse—or so I thought. . . . But then came the first commercial! Before I could cross the room to turn it down she called out in protest. . . And so it went to the end of the program—down, up, down, up.

No wonder the remote-control TV sets are enjoying such a wide sale. They make it possible to shut off the commercials. And I can't help but wonder whether or not the rating services are keeping up with the trend toward blab-off.

It's a shame that so many TV advertisers use commercials that offend because of their stridency. Why can't commercial announcers talk in the same tone of voice they would use if they were in the living room in person instead of on a picture-tube image? As Merle S. Jones, president of CBS-TV sta-



MOTOR MANUFAC-TURER: "We need a flock of small, rugged terminals."



ELECTRONICS MAN-UFACTURER: "Lacing and tying our electronic harness is becoming too costly."



STAMPING PLANT OPERATOR: "Looks like our light presses should have vibration



CHEMICAL PLANT
MAINTENANCE
MAN: "We've got a
packing problem that's
driving me nuts!"



PLANT MANAGER:
"Patches in our concrete floors repeatedly
crumble and flake."



APPLIANCE DESIGN-ER: "We're having trouble Letting reliable mechanical timers."

Can you trouble Letting reliable mechanical timers." solve any of these problems?

... these are just a few of the thousands of problems I.E.N.'s readers bring to its pages each month. For Industrial Equipment News is scanned from cover to cover every month by 78,000 men looking for products that will help solve their current and everchanging problems.

These men represent more than 40,000 plants . . . all industries . . . and 90% of America's industrial purchasing power.

Whether you want to sell present markets or discover new ones, your ads are right at the "point of purchase." Send for our Media Data File.



good for selling
... because it's
used for
buying!

INDUSTRIAL EQUIPMENT NEWS

461 Eighth Avenue, New York, N. Y. Thomas Publishing Company

How to talk to a crowd

It was said that Gladstone got on poorly with Queen Victoria because he talked to her as if she were a public meeting, while Disraeli got on well with her because he talked to her as if she were a woman.

Dorothy Thompson said she was always grateful to David Sarnoff because, at the beginning of her radio career, he said: "Always remember that the microphone is not a megaphone. It is an ear."

We try to remember this every time we write a radio or television commercial—or an ad.

For no matter how many millions may be in the audience, each one watches with his own personal eyes, and listens with his own personal ears.

This makes communication a personto-person affair. It is why we try to make every commercial and ad talk to one person at a time and talk to sell something.



We work for the following companies: Allstate Insurance Companies. American Mineral Spirits Co. Atchison, Topeka & Santa Fe Railway Co. • Brown Shoe Company • Campbell Soup Company • Chrysler Corporation • Commonwealth Edison Company and Public Service Company • The Cracker Jack Co. • The Electric Association (Chicago) • Green Giant Company • Harris Trust and Savings Bank • The Hoover Company Kellogg Compant • The Kendall Company • The Maytag Company • Motorola Consumer Products Inc. • Philip Morris Inc. • Chas. Prizer & Co., Inc. • The Pillsbury Company • The Procter & Gamble Company • The Pure Oil Company • The Pure Fuel Oil Company • Star-Kist Foods, Inc. • Sugar Information, Inc. • Swift & Company Tea Council of the U. S. A., Inc.



LEO BURNETT CO., INC.

CHICAGO, Prudential Plaza · NEW YORK · DETROIT · HOLLYWOOD · TORONTO · MONTREAL

tions, said the other day, "Advertising can be as delightful as an act or a program. Attention can be so arrestingly diverted to a product that the viewer is grateful for the interruption rather than angered and resentful."

The Farmer's Big Business

Every day farming is becoming more and more big business. Dick Babcock, president of Farm Journal, points out that average investment per farm now totals \$43,723. Our 4½ million farmers have assets of \$208 billion, of which 88% is free of debt.

When I first started writing for this magazine, I remember, we showed in our "Survey of Buying Power" more than 6 million farm units. So in thirty years we have cut farms by one-third, reduced farm family labor from nearly 11 million people to about 5½ million—and accomplished all of these reductions while increasing our agricultural output by more than 100%!

Mechanization has eliminated 23 million horses, replacing them with 5 million tractors and 8 million trucks and automobiles. Decentralization of industry plus mechanization plus increased mobility makes it possible for many farmers or their wives to run farms and also have factory jobs. As a matter of fact, farmers almost match their net farm income (\$11 billion) with another \$81/2 billion from sources other than the farms they operate, such as rentals, interest, dividends and wage payments.

I wouldn't be surprised if one or more of the farm publications started a department of analysis of Wall Street securities.

Words My Mother Never Taught Me

A postwar development of dubious value has been the proliferation of new words for old ideas. Most of them have been spawned by consultants who, like teachers, have to keep a chapter or so ahead of their students. So we have "motivation," which is not much more than "reason-why," a term marketers used prior to Dr. Dichter. Or take the over-used "marketing concept," which is a 2-word combination of what was once expressed by a single word.

Then there's "corporate image," the current Marilyn Monroe of business. Recently "By" Sawyer, associate publisher of Business Week, was asked to make a speech on the subject. As might be expected from the smart guy he is, he sought the opinions of industry leaders (and if some of them happened to be customers of Business Week, I am sure it was more than coincidental).

One of the respondents came up with this simplified but meaning-ful definition which puts the term right back where it belongs — as something our fathers, if they were intelligent businessmen, pursued instinctively. "Corporate image is another, and possibly more graphic, way of referring to a company's reputation. Use of the term, however, tends to suggest that it may differ from reputation.

"If a businessman were asked whether it was important to him that his company enjoy a good reputation with the public, it would be hard to imagine him saying no. But ask him if he needs a favorable corporate image, and it is not so easy to predict his reply.

"Certainly I believe a company's good reputation is its most important asset. Since I cannot imagine doing business successfully without a good reputation, I'd have to say it is an essential. On the other hand, if you did not have a product line of proven competitive advantage, it is hard to see how your reputation could be kept untarnished. . . .

"Can you separate a company's products from its reputation? I don't see how, since products constitute a vital component of reputation. Is the company's reputation kept in mind when designing marketing and sales strategy? It better be, or the reputation will slip."

Corporate-image advertising (it used to be called "institutional") deserves a program of its own, but should not replace strong product promotion.

People Are Funny That Way

Philip I. Ross, of the New York advertising agency of that name, tells of a survey to find out whether people read long letters. The accompanying letter was three pages. One of the questions asked was "Do you read long advertising letters?" Of those who read the three-page letter, 58% said they did not read long letters!

Phil Salisbury

Mr. Manufacturer:

AWA's pay-as-you-use plan cuts distribution costs

Why pay for warehouse space you don't use? Every vacant square foot increases your cost per unit. For flexibility and economy, public warehousing is the profitable answer. Investigate the AWA Pay-as-you-use-Plan.

Write for Free Directory listing locations and space availabilities to fit your needs

512 Members Offering 1,273 Distribution Centers, Merchandise Warehouses & General Storage Facilities

American Warehousemen's Association 222 W. Adams St. • Chicago 6 • Randolph 6-5550

HOW TO STRETCH YOUR SALES TRAINING DOLLARS!



DIRECTORY
OF
SALES
TRAINING
FILMS

FREE for the asking!

This 16-page Directory should be in every sales office! It demonstrates the versatility of sales films as the nucleus of sales training courses; as an introduction at sales or dealer meetings; as a program break at conventions; as a supplement to product training; or as a fine addition to your library of business films. Get your copy by writing us, today.

DARTNELL

4664 RAVENSWOOD CHICAGO 40, ILL. "HEADQUARTERS FOR SALES TRAINING FILMS"

OPEN THE DOOR

Family Weekly



What do you have to sell that 4½ million families who own refrigerators would be apt to buy?

Family Wookly REACHES THEM
EHECTIVELY, ECONOMICALLY, IN DEPTH . . . AND IN COLOR!



food sales in 87% of the homes in 190 top markets with one

You may be using the highest powered magazines, the most star-studded television money can buy - and still be "opening the doors" of only 10% to 30% of homes in the markets blanketed by FAMILY WEEKLY.

Yet 1 in every 5.6 dollars spent at retail nationally is spent in the FAMILY WEEKLY market! It's a market with over 9 million cars . . . a market that does over 15.2% of all U.S. retail sales.

Just take a look at a few of these quick facts about FAMILY WEEKLY families and see why FAMILY WEEKLY belongs on your schedule!

GOES INTO 4,878,422 HOMES ON THE DAY WHEN PEOPLE READ MOST. Sunday is relaxing day in FAMILY WEEKLY homes. The day for discussing family purchases, too. The perfect day to sell your product!

GIVES YOU 87% COVERAGE IN 190 OTHERWISE UNDER-EXPOSED CITIES—THE BIGGEST MARKET YOU CAN BUY IN SUCH DEPTH WITH A SINGLE MEDIUM. In 587 counties where FAMILY WEEKLY has 20% or more coverage, FAMILY WEEKLY offers an average saturation of 53.2%.

DELIVERS HIGHEST ADVERTISING READERSHIP OF ANY PUBLICATION. We can show you the actual readership figures! These are the UNsaturated markets where people read the ads carefully - and respond to them like mad! Readership studies show, for instance, that 92% of the women readers use FAMILY WEEKLY recipes.

47.2% MORE NATIONAL FOOD BRAND PROMOTIONS IN FAMILY WEEKLY CITIES.

Surveys by Food Field Reporter show that, on the average, 63.2% of grocers advertised specials are nationally advertised features in FAMILY WEEKLY markets. In large metropolitan areas, the percentage is only 429, due to the predominance there of private labels. Help the grocer who helps you!

PRODUCES MORE COUPON RETURNS PER DOLLAR We can show you the figures on this, too! Millions of coupons from a single ad!

And -FAMILY WEEKLY ads get tremendous dealer tie-ins, too . . . great merchandising possibilities for your sales force.

FAMILY WEEKLY MARKETS ARE MORE RESPONSIVE. They're not so much influenced by wheeling-and-dealing. They are pleasant, productive and profitable places to do business!

. want the whole story? Just contact one of these FAMILY WEEKLY offices:

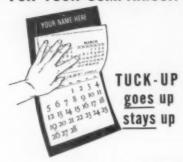
153 North Michigan Avenue, Chicago 1, Illinois New York 22: 405 Park Avenue . Detroit 2: 3-223 General Motors Bldg. Cleveland 15: 604 Hanna Bldg.

Atlanta 3: Morgan Pirnie-1722 Rhodes Haverty Bldg.

Covering markets that do 15.2% Family Weekly of all U.S. retail sales . . .

4,878,422 homes 190 cities LEONARD S. DAVIDOW, PUBLISHER PATRICK E. O'ROURKE, ADVERTISING

LET US SEND YOU THIS FREE CALENDAR FOR YOUR COMPARISON



Use it on your own office wall. Show it to your key personnel. You'll realize why many major advertisers have reordered Tuck-Up calendars exclusively for 15 years or more!

Tuck-Up is functional; excellent in design; easy to read; affords ample space for jotting down notes of business engagements. At end of each month, sheet is lifted and tucked up under top flap.

Typographically handsome, it has an executive appearance for an executive suite. You can pay less for a calendar but it won't pay. An inexpensive calendar with a high throw-away ratio is more costly than a Tuck-Up with its higher use ratio.

Prepare now for building 1961 busi-ness and goodwill. "Sell" your name to customers and prospects by daily contacts through the Tuck-Up Calendar. Mail coupon below for your Tuck-Up and the very good news on discount prices we're offering in advance of going-to-press time. Limited offer. Don't delay!



CORPORATE CLOSE-UP

SHEAFFER'S

Sheaffer Pen Gets New Flow Into Clogged Sales Setup

The Sheaffer Pen Co. has been identified with quality since the Bloomfield, Iowa, jeweler, Walter A. Sheaffer, marketed his "first practical self-filling fountain pen" in 1913. But in recent years, while quality was high in the product line, something else was missing in the marketing setup.

"In 1957, Sheaffer realized that it had grown cumbersome in its sales organization and allocation of territories and accounts," says E. F. Buryan, marketing vice president. (Buryan, a former marketing consultant, joined Sheaffer in July 1957.) It also decided to do something about it. Sales were off, morale was far below par, and the costs-to-sales ratio was high.

Buryan explains that the size of territories was based on volume, and the good salesman got the good territories. "This is backwards," savs Buryan. "One territory may be doing \$300,000 and another \$250,000. Do you put the good salesmen on the top territory and poorer salesmen on the lower-volume territory? Of course not. The good salesman can build the lower-volume territory.

"Another thing," continues Buryan, asking and answering his own questions, in the manner of the expert lecturer who gets lost in his subject, "the salesman was trying to wear several different hats in selling the entire product line and calling on all types of customers. One day he'd call on a small retailer, then a drug chain headquarters, then a high-price department store. How could he do it? He couldn't. There were too many salesmen making too many calls."

Sheaffer's Buryan decided he had to start fresh. Salesmen were not replaced after normal attrition and some of the weaker ones were let go. Then they were down to the hard core of top-notchers. Next the company's marketing program was divided into sectors: A retail division, selling top-price merchandise to franchised dealers; a popular-price division, selling products at \$2.95 and less through wholesalers and chains. In a test area of 11 Midwest states, the new marketing plan was launched. Territories were arranged according to number and time for calls, not volume. The salesman was expected to build volume. Each new account was selected, others were dropped. "It was expensive as Hell to do," says Buryan, "but now we're ready to apply what we learned and developed on a national scale. Now we'll profit. How is it working? In February, usually a lower-volume month, we did 107% in sales over February of 1959 in this test area. One large drug wholesaler increased his business with us 600%. We rearranged our pricing structure. We now decide what the price should be to sell best at a profit, then plan how many we're going to sell.

"Sheaffer was making the same mistake that all the other pen people were making. They always watched each other. This is wrong. Sheaffer makes a quality pen. It competes with every other kind of gift—not other pens," lectures Buryan.

Gazing at an invisible chart of figures, Buryan recalls, "In 1957 we had 27% of the fountain pen market [Parker had 32%]. With our new approach to marketing, we got 44% of the fountain pen market in 1959. In November and December of that year [the peak period] we got 47% of the market. In January and February of this year we had 47.2%." Sheaffer claims 74% of the \$20-and-up pen sales.

Currently, Sheaffer is marketing its product through three separate divisions: Retail, Popular Price and Specialty Sales.

City_

Triumphs
of an advertising
decision maker

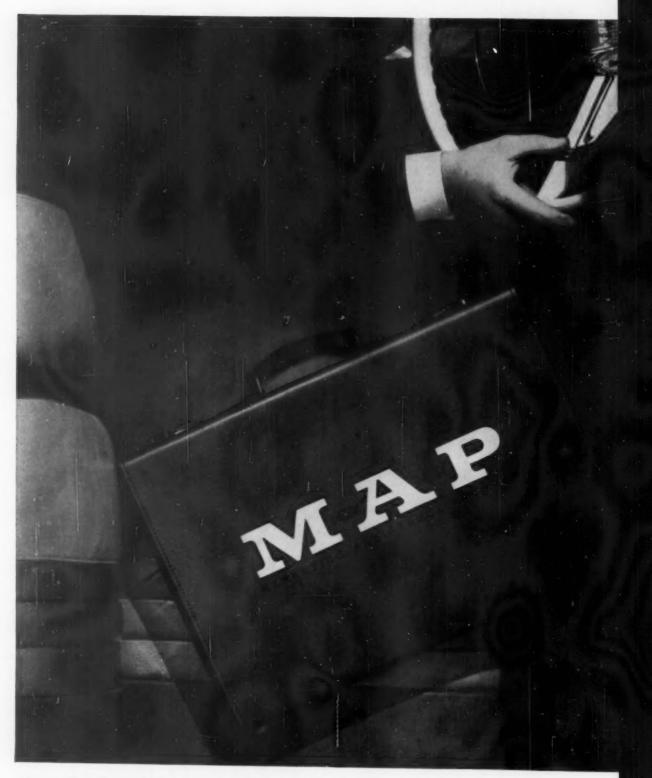


HE SELECTED HIS MARKETS BY INTEREST, NOT BY CIRCULATION

This Madison Avenue lepidopterist ignored the doubtful multitude, and concentrated on the most desirable species—readers already interested in what his client had to sell. His net: Hearst Special Interest Magazines, which winnow out the "undesirables" and capture just those readers who—by their special interest in the editorial content of the magazine—are definite prospects for the advertiser's product.

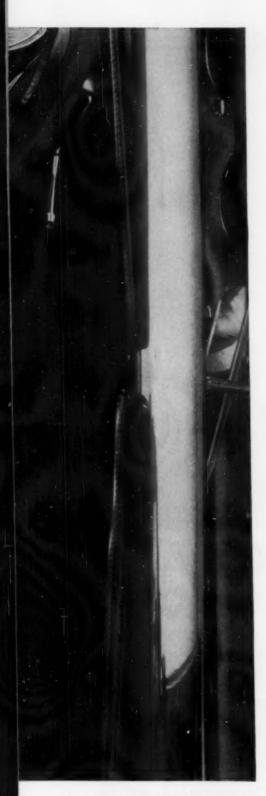
HEARST magazines

13 keys to the special interests of 13 groups of people • • • American Druggist Bride & Home • Cosmopolitan • Good Housekeeping • Harper's Bazaar • House Beautiful • Motor Boating Motor • New Medical Materia • Popular Mechanics • Science Digest • Sports Afield • Town & Country



CHILTON'S MARKETING

14 Sales Management June 3, 1960



How Chilton's M-A-P charts your MOST PROFITABLE sales territories

It's taken for granted that the best way to chart a salesman's territory is to start with reliable data. For years Chilton has been useful in this area. Today it offers broader and more penetrating marketing research than ever before. It is embodied in M-A-P, Chilton's Marketing Assistance Program.

Before you make any revisions in sales territories, we suggest you investigate the scope of Chilton's M-A-P. You will find professional fact-finders and the most efficient tools of research. You will have access to reservoirs of information. You will get the latest studies of buying influences; opportunities for new products; fast-moving market trends; ideas to make your sales and advertising more effective.

Chilton's 17 business publications add to the depth and breadth of M-A-P. Each has a wealth of timely facts acquired through years of experience. Chilton's standards of editorial excellence are now linked with stronger and more complete marketing tools for advertisers. A Chilton representative will be glad to give you more information. Or write for this book, which describes the program in detail.

Chilton

Chestnut and 56th Streets . Philadelphia 39, Pa.

Publisher of: Department Store Economist • The Iron Age • Hardware Age • The Spectator Automotive Industries • Boot and Shoe Recorder • Gas • Commercial Car Journal Motor Age • Butane-Propane News • Electronic Industries • Jewelers' Circular-Keystone Optical Journal • Hardware World • Aircraft & Missiles • Product Design & Development Distribution Age • Chilton Research Services • Business, Technical and Educational Books

ASSISTANCE PROGRAM

Everywhere people are saying . . .



COLOROTS SECURITY SECURI

WGAL-TV

is favored by viewers in Lancaster-Harrisburg-York, plus Gettysburg, Hanover, Lebanon, Chambersburg, Lewistown, Carlisle, Shamokin, Waynesboro, and many other communities. Profit-proved for advertisers, this multi-city market is important to your selling plans.



STEINMAN STATION Clair McCollough, Pres.

Representative: The MEEKER Company, Inc. New York . Chicago . Los Angeles . San Francisco

'Modern' Marketing's Sorest Thumb

Once upon a time, salesmen were notoriously poor about following up leads. But in these troubled times of staggering competition and drooping profit margins, no sales force could possibly dare ignore them . . . or could it?

The answer is no secret. Follow-up is still appalling. To be sure, there may be some very slight improvement — but it evidently takes more than rough selling weather to make a salesman change his habits.

Unlike much consumer advertising, industrial advertising not only spreads a selling message around for all to see, but also affords the advertiser a chance to receive direct results via reader requests for further information.

Often, business magazines will collect the ad inquiries and forward them to the advertiser. Sometimes, the magazine will take it upon itself to trace the inquiry back to see if the reader's request has been answered.

Here is one excellent example in the form of periodic surveys by Industrial Equipment News. The results are similar to those obtained by many other publications, but the nature of the magazine gives the survey the advantage of being drawn from an unusually wide range of industries.

There are really two surveys: one of over 10,000 tracebacks from 1950 to 1959, and another collection of several hundred tracebacks compiled in recent months. Together, they offer strong evidence that sales follow-ups are not keeping pace with the "growth" of marketing as a whole.

At headquarters level, follow-up starts off surprisingly well. The first step, the sending of literature to inquirers, is approaching perfection. In the 9-year wrap-up, 88% said that the manufacturer sent additional information; 86% received it promptly and 85% found it adequate. High as these percentages are, the more recent sample shows each has grown three percentage points.

Obviously, the mechanical aspects of follow-up are well oiled. Names come in, literature is sent out. Automation enters the picture in many of the large companies. In all, the emphasis on reducing costly paper work has undoubtedly contributed much to creation of smooth systems.

Perhaps a bigger factor has been that the home office recognizes that inquiries mean sales, with the result that efficient follow-up is being stressed.

But look what happens in the field. The company has fulfilled its end of the bargain by sending information. The salesmen let it end there.

One Lead in Six Followed Up

In the big 1950-58 study, it was found that an insignificant 14% of inquiries were followed up with contact by a salesman. Now, in 1960, with greater emphasis than ever on marketing in the average company, the figure rises to a mere 16%.

But it isn't as though sound follow-up practices were an impossibility. One large eastern machinery maker surveyed recently had a 48% salesman follow-up record. A small midwestern metal finisher managed salesman's calls on better than 45% of inquirers.

Why are most companies incredibly lax in follow-up calls? Not all the blame can be laid to the salesman. All too often companies which are quick to send out literature fail in forwarding prospect names to the field. Channels of communication are too plugged to be effective. By the time the salesman gets the name (if at all), so much time has elapsed that he would actually be embarrassed to make the call.

Unfortunately, however, it is usually the salesman's fault. He is pressed for time. He feels that it would require too much time and effort to break in a cold prospect, when he could visit two or three customers instead.

Rationalization plays a big part. How often is it heard that such inquiries are "nearly always just for literature to put in the files"?

The Industrial Equipment News survey shows how little water is held by this pet theory. In the traceback questionnaire, the magazine asks the inquirer if he is still interested in the product advertised (provided he has not bought it already). In both the earlier and the most recent studies, a shade under half said they were.

Inquirers Tell of Specific Needs

If this image of industrial buyers sitting on the edges of their chairs waiting for salesmen to call is not convincing, perhaps some of the comments about why an inquiry was made will help.

Examples: 58% of respondents who sent inquiries to a leading heating equipment maker had a particular use in mind; 28% wanted file literature, 14% were interested in application to a new or embryo product. Only 14.5% of leads were followed up. Fully 76% of inquiries directed to an Eastern manufacturer of industrial marking equipment were made with a specific application in mind; 12% were interested in application to new products. Salesmen called on 9.5% of inquirers.

Half of those who asked a major maker of fluid transfer assemblies for information were interested in using the product; 13% had new products in mind, the rest wanted file information. But salesmen followed up only 8% of inquiries. And these examples are typical.

It is foolish to assume that the great majority of those who had specific applications in mind would have bought, had they seen a salesman. For many, the literature was enough to show them that the product would not do.

But this is no excuse for salesmen's inaction.

There are too many things the salesman does not know. For example: Could the product be easily adapted to fit specific needs? Does he have another product, not mentioned in the literature, that might do the job? Is the inquirer correct in his belief that the product described wouldn't work? Can the salesman be sure about which inquirers want file literature and which want to buy?

A telephone call could answer virtually every such important question quickly and cheaply.

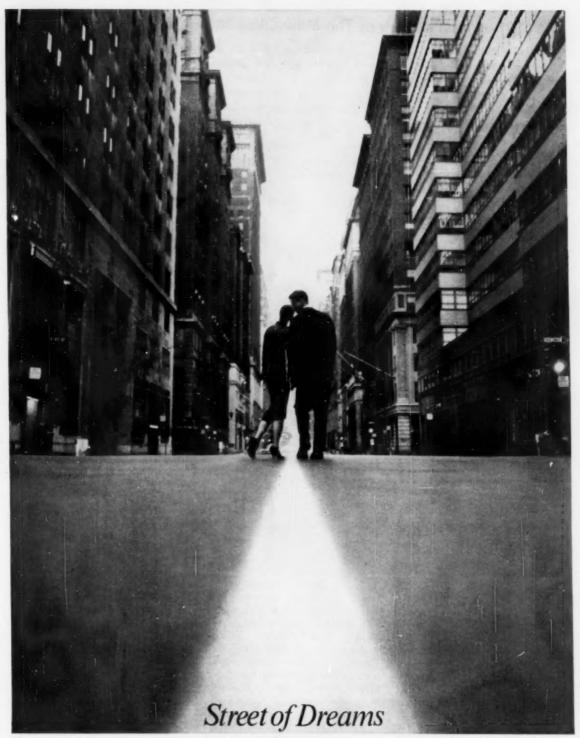
New Products Mean New Customers

The number of respondents who mentioned possible new product applications is highly significant. Supposing a salesman does know everything there is to know about an inquirer's present operations (which he probably doesn't). Even then, he cannot safely assume that the lead is not worth following up. There are just too many new products in the works to permit static buying needs.

There is plenty of room for improvement in follow-ups, although some progress has been made. Generally, the home office seems to be doing its end of the job. But the salesmen in the field still seem to think they can second-guess the needs of the modern customer company.

It is growing less and less likely that they can. Today's purchaser knows that he must be constantly on the lookout for new and better ways to do old jobs, and is receptive to change. The flood of new products means more new customers cropping up unexpectedly.

The salesman has shown little promise of beefing up his own follow-up record; his field manager, more than likely already beset by far too much administrative work, probably won't originate action to check on every lead that comes through his office. So the home office, which has so neatly carried out its mechanical follow-up duties, must also assume responsibility for untangling the mess on the salesman end. Until this is done, increasingly important sales will continue to be lost for imaginary or trivial reasons.



Madison: Avenue of aspiration. Here, American business is introduced to consumers (object: burgeoning economy). Here, creative marketing is encouraged to inspire desire in people everywhere for expanded horizons in living. Which magazine most matches today's business mood? McCall's, we think. Proof: McCall's May issue establishes



ad records again. Linage increased 35.1% over last May, continuing its linage leadership in the women's service field. (Five-month total shows McCall's up to 40.8% in space.) Circulation's booming, too: May newsstand sales are way up over last May for the 15th consecutive month of newsstand gains. McCall's—First Magazine for Women.

Publisher's estimate

The 37th annual edition of The Milwaukee Journal's Consumer Analysis

It's the first Consumer Analysis made in consultation with the Advertising Research Foundation, a national organization promoting greater effectiveness in advertising and marketing through objective and impartial research. Recorded here are the buying habits of more than a million people, including comparisons of three matched samples showing what people "buy," what they have "bought within 30 days" and what they have "bought within 7 days." It's a detailed and useful picture covering more than 200 subjects, as well as trends for the last four years.

Copies are available from The Milwaukee Journal general advertising department, Journal Square, Milwaukee, Wis.; Million Market Newspapers, Inc., 529 5th Ave., New York; 333 N. Michigan Ave., Chicago; 438 New Center Building, Detroit; 3540 Wilshire Blvd., Los Angeles; 111 Sutter, San Francisco.

The new edition covers: Age of head of household . . . Number of adults in household . . . Commercial air line travel . . . All-purpose short-Antifreeze . . . Automobile . . . Owners of more

CONSUMER

Antifreeze... Automobile than one car... Automobile Automobiles bought new by income brackets... Mah car owned ... Baby food strained ... Packaged bac... Powdered bleach ... Blea Brassieres ... Bread, diet, fast cereals ... Butter ...

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... Family income ... Installment buying ... Automobile insurance . . . Life insurance-amount carried, group insurance, when purchased . . . Power lawn mowers ... Lipstick ... Packaged, sliced luncheon meats ... Dry macaroni or spaghetti ... Margarine ... Mattresses . . . Frozen meat or poultry pies . . . Fresh milk at stores . . . Home delivered fresh milk . . . Powdered milk . . . Motor oil . . . Nail polish . . . Paper napkins . . . Nylon hosiery . . . Canned and frozen orange juice . . . Outboard motors . . . Exterior and interior paint . . . Pancake or waffle mix . . . Paper towels . . . Peanut butter . . . Canned peas . . . home permanent waves . . . Pipe tobacco . . . Pork sausage ... Potato chips ... Instant potatoes ... Movie and slide projectors ... Transistor radios ... Men's winter and summer recreation . . . Refrigerators . . . Rum . . . Scotch . . . Scouring cleansers . . . Scouring pads . . . Cream and Liquid shampoo . . . Men's electric shavers . . . Shaving cream in pressurized cans ... Men's shoes ... Shopping centers ... Evening shopping ... Soaps and cleaning agents ... Bottled soft drinks for home use and as mixers . . . Dry soup mixes . . . Stereo sound systems . . . Stocks and bonds ... Sugar ... Television set owners ... Owners of more than one television set ... Television sets bought in last 12 months . . . Ten-year trend of soap buying . . . Ten-year trend of toiletry buying . . . Ten-year trend of appliance ownership . . . Ten-year trend of general subjects . . . Tires . . . Snow tires . . . Toasters . . . Toilet bowl cleaners . . . Toilet soap for bath and hands and face . . . Toilet tissue . . . Tomato juice . . . Tooth brushes . . . Tooth paste . . . Bath towels . . . Women's transportation to downtown . . . Canned tuna . . . Vacations . . . Vacuum cleaners . . . Frozen vegetables . . . Dry and sweet vermouth . . . Vodka . . . Wallpaper . . . Washing machines-combination, fully automatic, spinner, wringer . . . Water heaters . . . Water softeners Wax Wax paper . . . Whisky . . . Wieners or frankfurters . . . Wine.

Shake it ... squeeze it... but you can't poof it!

Sealed, tight, completely, from the time it leaves the filling line till it reaches the user's hands. Developed by Packaging Corporation of America technicians for cereals, dry powdered foods, soap products, chemicals and many others, this exclusive Calk-Seal* technique provides positive protection against sifting and infestation. And the single structure package multiplies filling line speed, reduces handling costs. Every day more and more packagers of such products are turning to the advantages of Calk-Seal as a superior packaging method. Developing and providing such advanced packaging techniques is but one of countless ways in which Packaging Corporation of America's concept of Planned Packaging, implemented through integrated national facilities, produces better packaging . . . more sales. Whether your requirements are large or small, regional or national, we welcome the

to eliminate use of inner bags or overwraps opportunity to help you. * Machine and process patents applied for.

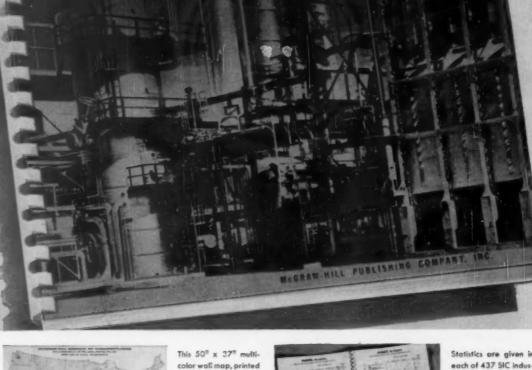


Packaging Corporation of America

Cartons · Containers · Displays · Egg Packaging Products · Molded Pulp Products · Paperboards

AMERICA'S MANUFACTURING PLANTS

a statistical report based on McGraw-Hill's continuing Census of Manufacturing Plants





This 50" x 27" multicolor wall map, printed on heavy stock and tubed, shows the concentration of manufacturing plants with 100 or more employees in the U. S.



Statistics are given in each of 437 SIC industries for manufacturing plants employing 20 or more, 50 or more, and 100 or more workers.

Now available from your McGraw-Hill man

New McGraw-Hill Statistical Report
On America's Manufacturing Plants By
Product · Location · Number of Employees

Here, for the first time, is a detailed industry by industry analysis of both primary and secondary manufacturers of products. This 118-page report is taken from McGraw-Hill's exclusive Census of Manufacturing.* The statistical facts here are based on individual identification and verification of manufacturing plants by employee size group and products manufactured. This analysis accounts for manufacturing plants responsible for more than 89% of the total U. S. output.

America's Manufacturing Plants contains information obtained by direct contact with the companies involved during a 2-year period ending in July, 1959.

If you sell to industry, you will find this book and accompanying wall map an invaluable sales tool and marketing guide.

The statistical data was compiled by McGraw-Hill to assist industrial marketers in sales planning and evaluation. It can be applied to single products or a full line, regional or national distribution, and to solving numerous problems such as market potential or territorial coverage.

The book and wall map are available only through McGraw-Hill. To help defray a portion of the preparation expense, a price of \$25 has been established. You may obtain copies by contacting your McGraw-Hill representative.

*The McGraw-Hill Census of Manufacturing is the largest private study of American industry.

It keeps McGraw-Hill publications in tune with their markets; alert to growth, change and diversification; enables concentration of circulation in the most effective areas.



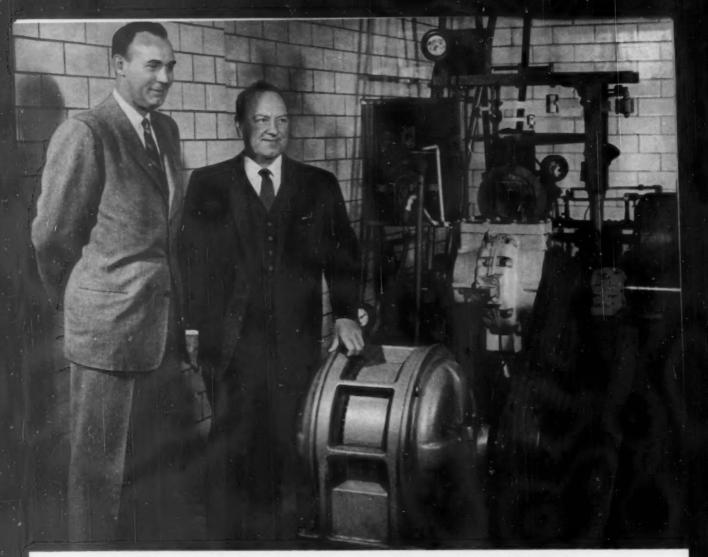
McGRAW-HILL PUBLISHING COMPANY, INC., 330 WEST 42nd STREET, NEW YORK 36, N.Y.



Breakdown by individual states gives statistics for manufacturing plants and number of employees. SIC classifications are used.



Individual, color-keyed maps show county markets by state, giving number of workers in manufacturing plants employing 100 or more.



C. M. Christie, President of Dayco Corporation (right), and R. G. Burson, Vice-President and General Manager of Dayton Industrial Products Co., a major operating division, review their development program.

"Advertising is part of our product development...it narrows the gap to sales"

"No matter how well it proves out in testing, every new product we develop is something of a speculation. Just being able to make it . . . or make it better . . . does us no good until we can sell it in quantity. That's where our business publication advertising programs come in.

"Right now, we're well into a new diversification program throughout the entire company. We've even changed our name from Dayton Rubber Co. to Dayco Corporation.

"By using business publications like McGraw-Hill's to tell customers and prospects what we're doing, the gap between product development cost and profitable sales is cut to a minimum. Advertising gives us broad market coverage, opens doors for our salesmen, aids us in our future growth."



McGRAW-HILL PUBLISHING COMPANY, INC., 330 WEST 42nd STREET, NEW YORK 36, N.Y.

More than one million key men in business and industry pay to read McGraw-Hill publications.

-SM

LETTERS TO THE EDITORS

to sell—to betray

While perusing the new Webster's Collegiate Dictionary, I came across what I consider to be a very serious situation, namely, the definition of "sell." If we are to consider the profession of selling as an honorable endeavor, we should do something to correct the definition as given by Webster. We are spending untold amounts of money to recruit capable people into the selling profession, yet when they look it up in the dictionary, here is what they find:

SELL—1. To deliver or hand over in breach of duty, trust, etc.; to betray.

2. To deliver into bondage, esp. for money.

3. To dispose of or manage for profit instead of in accord with conscience, justice, etc.; as, to sell one's vote.

Slang. To impose upon; trick.

5. To transfer (property) for a consideration; to give up for a consideration; to convey—opposed to buy.

To deal in as an article of sale; as, to sell groceries.

v.i. 1. To dispose of commodities of property; to make sales.

buyers 2. To be sold; to find

Sell out. 1. To dispose of completely by sale.

Slang. To betray one's cause or associates for a compensation.
 n. Colloq. A hoax.

Is it not possible for the editors of SM to take some action in correcting this definition?

E. G. Wallenbrock

Wilshire Oil Co. of California Los Angeles, Cal.

➤ The misapprehensions surrounding the field of sales have long been a subject of concern to SM; and correcting them, one of our crusades. But one magazine cannot do the whole job. It is up to each sales manager to do his part in the re-education process—starting with the enlightenment of his own men as to their highly respectable and vital role in our national economy.

threat of complacency

My compliments to you and Hy

Schneider for your excellent article, "How Smug Is Dangerous?" [April 15].

Certainly there are many of us who could afford to read this article twice. This disease called complacency threatens us all and can best be cured by such articles and examples as you have written and printed.

Glen T. Cahill

Hamilton Foundry Inc. Hamilton, Ohio

wanted-'10 biggest'

"The 10 Biggest Mistakes Executives Make" [series started in SM March 4] is good—right to the point and worthwhile.

. . . Perhaps one of the biggest problems of sales management is that of getting the message through to district sales managers. . . . You can talk various issues out with them and point up their good moves and their poor ones, but there is a limit to criticism. The district sales manager must have leeway of thought—he needs to discover good points and bad ones for himself from another source.

I plan to turn over the 10 Biggest Mistakes series to our district managers because they deal with issues in a specific manner that I'm sure will do more for the men than my talks, because they don't come in a critical form.

Would you be good enough to send me 20 copies of each article in the series.

T. L. Dickinson

General Sales Manager Lightning Fastener Co. Ltd. Montreal, Quebec

. . . for branch managers

... These are loaded with good, sound, down-to-earth information that will be most helpful to our branch managers and assistants.

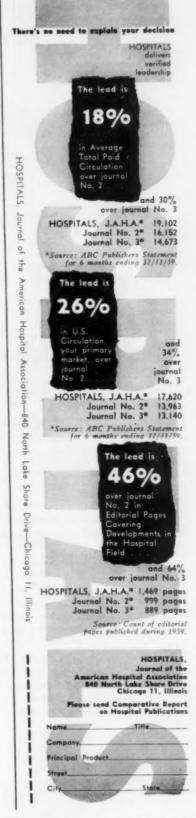
Please send 12 reprints of each of the 10 articles.

Tom W. Robertson, Jr.

Vice President, Sales Bottenfield's, Inc. Pittsburg, Kansas

. . . for meeting

. . . We would appreciate your prompt attention to the mailing of





"The cashier slipped and caught her foot in a loose basket of money

... now we are \$12.60 short."

"... but it's a small price to pay for the entertainment," concludes the manager of a Fort Wayne company, in a tongue-in-cheek fan letter to Ann Colone.

The Ann Colone Show (WANE-TV, week-days, I to 1:25 p.m.) includes burlesqued as well as conventional physical exercises, interviews with visiting firemen, occasional cooking sprees, and, on one memorable occasion, an unscheduled bout with a chimpanzee that tripped her on a mike cord.

"Ask stout lady giving instructions to please join in . . ." "My tv picture's off but I still hear sound . . . hope you do hair-curling part again when set's fixed . . ." "My specialty is spaghetti . . . I get the real cheese at your brother's grocery. ..." (From real, live letters; Ann's brother hasn't written, but we understand he also approves.)

The Ann Colone Show is daily confirmation of the vitality of local, live daytime tv. It takes its viewers (85% women) out of the kitchen, provides color, humor, and serious information, draws an audience double that of either of two competing network shows. It typifies the Corinthian approach to programming—that it is not enough to rely on network service, even when it is as good as CBS makes it. Corinthian stations create their own programs to meet specific regional needs and tastes. This builds audience loyalty, wins viewer respect, helps make friendly prospects for our advertisers.

Responsibility in Broadcasting

THE CORINTHIAN

these reprints [10 each of first 3 articles] as we have planned a meeting around them.

D. B. Kinkaid

Vice President, Marketing Dawe's Laboratories, Inc. Chicago, Ill.

➤ Among the companies requesting reprints on this series are the following:

The Beryllium Corp.
The Advertising Specialty Inst.
Minneapolis-Honeywell Regulator

Dewey and Almy Overseas Div.
Crown Zellerbach Canada, Ltd.
U.S. Rubber Co.
Ever Ready Label Corp.
Air Reduction Sales Co.
Reliance Electric and Engineering
Co.
The Shaw-Walker Co.

Sealy, Inc.
New York Life Insurance Co.
Designers for Industry
Employers Mutual Liability Insurance Co. of Wisconsin
Tennessee Products & Chemical
Corp.
Universal-Cyclops Steel Corp.

The 10 Biggest Mistakes series is available in the form of reprints of individual articles, at 20 cents each. Please write to Readers' Service Bureau, Sales Management, 630 Third Ave., New York 17, N.Y., specifying the article or articles you want and enclosing remittance.

voice from beyond

. . . We occasionally reproduce and send out short letters, articles and excerpts from various magazines to our salesmen and sales engineers as a part of our Sales Training Program. . . .

The SM article in which we are interested is entitled: "Selling the Etiquette of Selling," by Ralph Waldo Emerson [May 6, p. 88].

I would appreciate hearing from you re copyright laws. . . .

(Name withheld by ed. for obvious reasons)

Manager, Sales Training Prominent Manufacturer

► We'll do our best to check with the author re copyright.

'hard-to-swallow' ads

I read with great interest your splendid article on "Hard-to-Swal-

low Ad Claims" [May 6]. This is certainly something that has needed saying for a long, long time, and I think you said it very well indeed.

... I have long pointed out the urgent need to correct what appeared to be a deterioration of moral ethics in business. This deterioration appears not only in advertising practices between competitors, but also in relationship with the consumer, and I can think of nothing worse for American business and advertising...

Ray C. Brewster

New York, N.Y.

a look back at perforation

Two or three years ago Sales Management was published with perforated pages, making page removal neat and easy.

We are considering a catalogue format which would have an advantage with this or similar type construction. . . .

Why did you discontinue the idea?

Robert J. Tesar

Sales Manager Watts Regulator Co. Lawrence, Mass.

The last few issues of your magazine have not been perforated so that the articles could be easily torn out. Does this mean that you have discontinued this practice? I thought it was a very good idea....

Charles G. Monnett

Sales Manager General Metals, Inc. Greensboro, N.C.

► We stopped perforating the pages of SM last fall when our printer made available to us a new method of binding which we feel to be superior from several standpoints. As you will notice, if you look at the magazine closely, SM no longer contains any staples to hold the book together. Consequently, it can lie flat regardless of which page you turn to. This makes for easier reading and more attractive pages. Also, it is very easy to remove the pages from the magazine: If you will run your thumb along the gutter, so that the magazine lies completely flat, you will find that you can remove pages without a ragged edge in much the same manner as you were able to do with perforation.

TULSA (H-R)

HOUSTON (CBS-TV Spot Sales)

SACRAMENTO (H-R)

WANE-TV FORT WAYNE (H-R)

WISH-TV INDIANAPOLIS (H-R)

> WANE-AM FORT WAYNE (H-R)

WISH-AM INDIANAPOLIS (H-R)

STATIONS

Dr. Gallup Signs Agreement



Dr. George Gallup (right) signs agreement which names The Gallup Organization, Inc., as research advisers for Million Market Newspapers, Inc. At the left is F. Bourne Ruthrauff, Executive Vice-President of the newly formed newspaper sales group. The five member newspapers are: Boston Globe, Milwaukee Journal, Philadelphia Bulletin, St. Louis Post-Dispatch, Washington Star.

Welcomes Research Director



Promotion Director David M. Podvey (seated) is shown here with Albert G. Forbes, new Director of Research for Million Market Newspapers, Inc. Widely known for his broad experience in research, Mr. Forbes was formerly Research Director of Crowell-Collier Publishing Company, and associated with Alfred Politz Research, Inc., and Bennett-Chaikin, Inc. He will direct, in conjunction with Dr. Gallup, the comprehensive research facilities which Million Market Newspapers, Inc., is now making available to national advertisers and their agencies.

GALLUP ORGANIZATION NAMED RESEARCH ADVISERS FOR MILLION MARKET NEWSPAPERS

New national newspaper organization initiates plan to provide more helpful research for national advertisers and their agencies

The Gallup Organization, Inc., internationally known for market, opinion and social research, was named April 1 as research advisers for Million Market Newspapers, Inc., national sales organization for the Boston Globe, Milwaukee Journal, Philadelphia Bulletin, St. Louis Post-Dispatch, Washington Star.

A special advisory team, headed by Dr. George Gallup, will work directly with Million Market Newspapers, Inc.

This is the first time The Gallup Organization, Inc., has been engaged for an assignment of this nature.

FULFILLS MMN PROMISE

The appointment of Dr. Gallup marks one of the first steps toward the fulfillment of the promise this organization made when it opened its doors on January 4 of this year. At that time, MMN announced its aim of furnishing more pertinent and useful research and market data to national advertisers and their agencies, as well as more effective aid in the fields of marketing, merchandising and promotion. Plans concerning the latter are currently being firmed up by the member newspapers and will be forthcoming shortly.

INVESTIGATE FIRST

In an announcement issued in conjunction with the Million Market Newspapers, Inc., release, Dr. Gallup stated that he will "first investigate what research has been done by all five member newspapers. This analysis will be both qualitative and quantitative. We will also concern ourselves with providing the advertisers with the specific kind of research needed, including a more adequate method for testing the effectiveness of newspaper ads. Our plans also call for a study of copy research, in order to discover more effective ways of using newspapers for national advertising."

COMPETITION CITED

F. Bourne Ruthrauff, Executive Vice-President of MMN, pointed out that in the past, newspapers have concentrated a great deal of their research efforts on trying to demonstrate local advantages over other papers. This important competitive selling job will still be carried out by MMN. Dr. Gallup, however, will concern himself with

the broader aspects of effective newspaper use by the national advertiser.

NEW SERVICE ERA

"We are confident," Mr. Ruthrauff stated, "that as a result of the affiliation of this great research organization with five of the nation's most dynamic and progressive newspapers, a new era of service to national advertisers will be developed."

Mr. Ruthrauff noted, however, that though The Gallup Organization, Inc., will be, in effect, MMN's research department, other research organizations will be called in from time to time to make outside studies. This will insure MMN offers research with as broad and unbiased a base as possible.

"We are building complete facilities for the testing of newspaper advertising impact."

MEMBER NEWSPAPERS

Members of Million Market Newspapers, Inc., are: the Boston Globe, Milwaukee Journal, Philadelphia Bulletin, St. Louis Post-Dispatch and Washington Star.

Each newspaper is published in markets having well over a million population.

Organized January 4, the newspaper group has been building nation-wide facilities for better research, marketing, merchandising, promotion and market data.

Offices are maintained at: New Yonk 17, 529 Fifth Ave., YUkon 6-3434; Chicago 1, 333 N. Michigan Blyd., STate 2-0103; Detroort 2, New Center Bldg., TRinity 5-3350; Los Angeles 5, 3540 Wilshire Blyd., DUnkirk 1-2251; San Francisco 4, 111 Sutter St., DOuglas 2-5422.

Sales Managers! Dig out the EXTRA sale that's in every salesman!

Every Sales Manager knows there's an EXTRA SALE a month in every one of his salesmen.

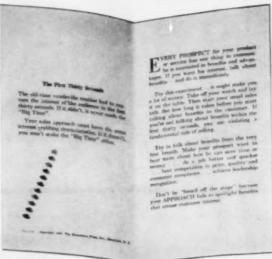
And now Sales Bullets—the Bi-weekly Sales Meeting In a Capsule—helps you Dig Out that Extra Sale . . . easily and painlessly.

Look over the SALES BULLET in this ad. It's typical. Then ask yourself, "Will it make MY SALESMEN more alert and aware of their job and its challenge?"

If your answer is "YES!" (or even MAYBE!), send the coupon Now. You have nothing to lose . . . AND EXTRA SALES to gain!



Cover Inside Sp



Inside Spread



Back Cover

RATE SCHEDULE

A brand new issue of SALES BULLETS is published every two weeks. Quantity prices are as follows:

Bills rendered quarterly 10% discount on annual subscriptions paid in advance.



RUSH	THIS	COU	PON	NOW
The Fo	onomi	CS Pr	220	Inc

P. O. Box 406L, Montclair, New Jersey

- ☐ We need this! Start sending us____copies every two weeks. We reserve the right to cancel this subscription on 10 days notice.
- cancel this subscription on 10 days notice.

 Please rush full details on Sales Bullets including costs of a special imprint.

Name_

Company_

City

AND THE REAL PROPERTY AND ADDRESS OF THE PARTY AND ADDRESS OF THE PARTY

GREATEST MANAGEMENT READERSHIP PER DOLLAR

Glidden Company asked its own customers what they read...found Business Week mentioned more frequently than all other general-business and news publications—and at the lowest rate per mention in its field. No one can tell you

WEEK

A McCraw-Hill Magazin



BUSINESS

You advertise in Business Week when you want to influence management men

more about the reading habits of your customers than your customers themselves. This is why The Glidden Company, in co-operation with Business Week, made a study of its customers' publication preferences.

Advertising Manager T. H. Turney, of Glidden, selected a list of 5,000 customers and prospects in the company's major fields. Questionnaires on Glidden's own letterhead were mailed in 1957 to these 5,000 individuals. The principal question was:

"What publications of all types do you read regularly?"

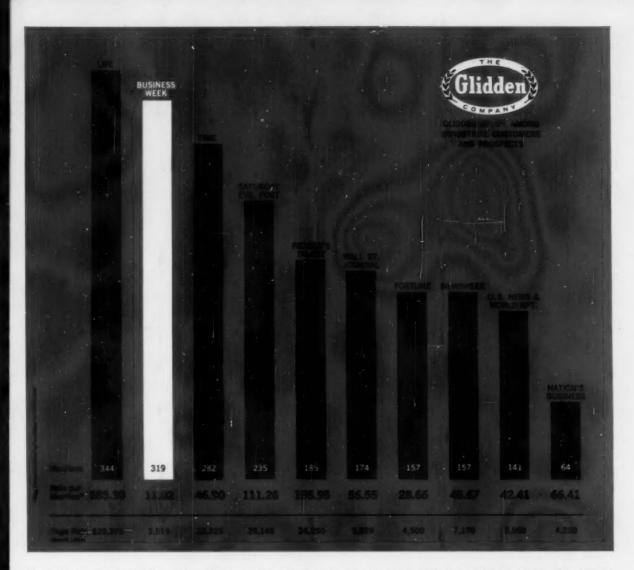
1,253 persons replied — a 25% response. Their expressed preferences among general, general-business, and news publications are shown at right.

In total mentions, Business Week was outranked only by Life, among general, general-business, and news publications. And Business Week clearly offered The Glidden Company the greatest management readership per advertising dollar among identified customers and prospects. (See Rate per Mention, in table at right.)

GLIDDEN STUDY WAS TYPICAL OF 30 IN 5 YEARS

The Glidden Company Survey of Reading Preferences is just one of 30 conducted by companies among their own customers in the past five years. Full details of these studies are available on request. Singly or together, they offer advertisers an important guide to management reading habits. They help to show you where to secure maximum management readership at minimum advertising cost:

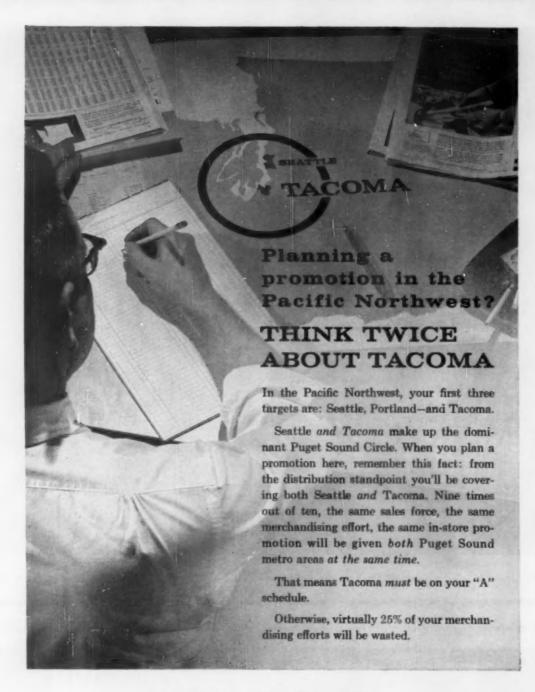
... in the pages of Business Week.



The Ten Most Frequently Read General, General-Business & News Publications . Question: "What publications of all types do you read regularly?"

The Ten Most Frequently Read General, General-Business & News Publications . Question: "What publications of all types do you read regularly?"

i i i i i i i i i i i i i i i i i i i	NIKE PROM	BUSINESS WEEK	SATURDAY OVEL POSK	ang Mais.		COM	- 31	HUOIES
					WALL ST. JOURNAL	FORTUNE	U.S NEWS & WORLD RPT.	
		П						NATION'S BUSINESS
		8,275			4,841	4,823		1.854
	1.55	142	3.57	5,90	2.03			2.29
					9.639		£300	4200





So, always, every time-

THINK TWICE ABOUT TACOMA

First, as a market that demands complete local coverage.

Second, as a market covered only by the Tacoma News Tribune . . . now delivering more than 85,000 daily.

Ask the man from SAWYER-FERGUSON-WALKER and get the facts

JUNE 3, 1960

ARE YOUR VOLUME DISCOUNTS ILLEGAL?

Today, they may be for the Government now views the timehonored valume discount as tantameunt to price discrimination. Here is the discount story, based on private talks with FTC . . .



ARE YOUR VOLUME DISCOUNTS ILLEGAL?

(continued)

Drug manufacturer gives all pharmacies volume discounts of 15% on invoices totaling \$50 or more; 71/2% on \$25 to \$50; and no discount on invoices under \$25. Legal or illegal?

Soap company gives its jobbers 10% discounts on purchases of more than 75 cases; 5% on 35 to 75 cases; no discount on less than 35 cases. Certain jobbers who own warehouses receive even higher discounts. Logal or illegal?

Large clothing manufacturer gives discounts ranging from 1% to \$% to retail customers purchasing more than \$2,500 worth a year; no discount given on smaller purchases. Legal or illegal?

Auto parts maker grants some warehouse distributors discounte ranging from 4% to 16% on sales to dealers; no discounts given to other, smaller distributors and to competing jobbers. Legal or Elegal?

Large candy company gives some big vending machine operators a price 10% to 12% lower than those charged to smaller vending machine concerns, chain stores, and wholesalers, Legal or illegal?

egal or illegal? The five practices at left are all illegal, claims the Government.

Every one of the five companies here was recently hit by Federal Trade Commission charges of price discrimination. And the Commission claims that such discounts may be discriminatory—that they may favor large customers and hurt smaller ones.

These five cases are typical of the many types of discounts that are liable to be labeled "discriminatory." For, today, more than ever before, one of the most common, time-honored practices in selling—the volume discount, or quantity discount—is being eyed with suspicion by the FTC.

Recent talks with Commission officials offered substantiation of this conclusion: Volume discounts are out except when a company can prove to the satisfaction of the FTC that (1) such a discount is justified by lower costs of manufacturing, selling or delivering large-volume orders, or (2) the discount is a "good-faith" meeting of a competitor's equally low price.

▶ This news probably comes as something of a surprise to most marketers. But, ask a good trade-regulations lawyer. He will no doubt explain that the laws governing business are so all-encompassing and so nebulous that almost any company engaged in commerce can be found guilty of violating some law at one time or another.

Today, the single law that most companies might trip over is the 24-year-old Robinson-Patman Act. As never before, it is abundantly clear that the Commission's enforcement energies are being concentrated on policing the vast trade practice area covered by this law.

The R-P Act is aimed at "discrimination"—in prices, discounts, allowances, services, etc., offered by suppliers to customers; and, at times, induced by customers from suppliers.

This law simply and generally states that you must not sell your goods to one customer for less than to another. The interpretation of the law (in practice) is left to the discretion of the FTC.

Now, as interpreted by the Commission, a volume discount may often be discriminatory against the smaller customer, because he has to pay a higher price per unit than does the large customer who gets a higher percentage discount.

All the Government has to do is prove that you gave a quantity discount and come up with someone—a competitor or customer—who was hurt by it. Thus, the legality or illegality of your discounts probably depends not so much on the exact words of the 24-year-old law as on its current interpretation by the FTC.

The swift tide of enforcement now engulfing the old volume discount was predicted a long time ago. Lowell B. Mason, as a commissioner of the FTC, told the National Sales Executives in 1951: "I decided to draw up some rules as adapted from principles now being urged upon the Commission." At the top of his list: "All quantity discounts are out." He quoted an opinion of the late Justice Jackson of the Supreme Court, who noted: "The law of this case [FTC vs. Morton Salt Co.], in a nutshell, is that no quantity discount is valid if the Commission chooses to say it is not."

The current actions of the FTC are proving just how right Justice Jackson and Commissioner Mason were. The trend is unmistakably toward stronger policing of discounts. If you grant volume discounts and have not been questioned in the past, you may well be investigated in the future—and you must be ready to justify them completely.

If a company pleads a cost justification as a basis for volume discounts, then, according to a Commission ruling, it must "establish it by detailed specific evidence rather than by conjecture, speculation, arbitrary allocation or broad averaging, because such costs are peculiarly and solely in the possession of and under the control of the respondent [the company]. Failure to keep detailed records cannot be accepted as an excuse for substituting generalizations for actual outlavs."

Although this does not mean that all volume discounts are out, it does most definitely mean that virtually any company granting volume discounts runs the constant risk of being charged by the FTC with price discrimination.

▶ One of the top FTC officials, Joseph E. Sheehy, Director of the Bureau of Litigation, puts it this way: "If you have volume discounts, you are almost certain to have differentials in price among your customers, because of their varying sizes. Then, if you have such differentials, you should measure those against the defenses available to you in the statutes, so

you won't run across the law." These price differentials resulting from volume discounts are all it takes to draw a formal complaint of price discrimination from the FTC. Once tipped off by a disgruntled customer or competitor that you grant volume discounts, the Commission usually investigates the case. If this investigation turns up enough evidence (not necessarily overwhelming) that your volume discounts are hurting a customer or competitor (or as the law says, "to substantially lessen competition"), you could be hit with a complaint, no questions asked.

Your discounts may well be justified, and the major defense, explains Joe Sheehy, is cost differentiation. There are other defenses, such as a "good-faith" meeting of a competitor's equally low price. But, as Sheehy phrases it, "If you can cost-justify a volume discount, then you're usually home free. True, 'good faith' is



ARE YOUR VOLUME DISCOUNTS ILLEGAL ?

(continued)

also a defense, but usually a more limited one. It's a shield, not a sword —it's used to retain business, not to go out and get it."

The day is gone when a sales manager can brush off any suspicion of his discount practices with a flat, "Sure, our costs are lower for big orders." Once hit with a formal complaint, the same sales executive's lawyers and accountants will be busily scurrying about in a hindsight attempt to justify volume discounts on a cost basis. The burden is then on the

company to convince the Commission that its discounts were warranted by lower costs.

The conclusion is clear: Every sales executive should be armed with a detailed cost analysis as a basis for any volume discounts.

If you have such cost justification, you may be able to ward off a possible FTC complaint in advance of damaging publicity. Or you may be able to satisfy the Commission after a complaint has been issued but before hearings are held. And, in any

case, such a cost study is generally viewed with more credibility if the study is made before, rather than after, the FTC gets into the picture.

A cost justification study can prove to be a constructive selling tool. It tells you how much you can justify in discounts. It puts the burden on your competitor to justify his own discount practices. It may also lead to more efficient management of salesmen's activities, number of calls, travel expenses, shipping, packaging, warehousing, etc.

How 10 Companies Feel about Volume

Volume discounts cut across the board. Commonly used in many industries, they go by various names: "freight discounts," "shipping allowances," "quantity differentials," "redistribution allowances."

Judged by recent FTC complaints, volume discounts are at times tantamount to price discrimination in ten industries: automotive parts, baked goods, candy, canned goods, chemicals, dairy products, electric shavers, hats, rugs and carpets, and sugar and molasses.

In most companies, the subject of discounts is as sacred as pricing. Marketing men don't want to talk about it, particularly these who use volume discounts extensively. The sales v-p of one large St. Louis company put it this way: "It's a hot potate. We don't care to discuss it. We don't want to get mixed up with the Government."

Some companies that don't give discounts will talk loudly about them, and against them. Yet others who do grant volume discounts will discuss them carefully, confidentially. Some arguments on both sides make sense. Here are ten selected viewpoints, for and against volume discounts:

For Volume Discounts

• A midwest food company calls its volume discounts "freight discounts" because of concern over the Robinson-Patman Act. The company feels that it could legally show them to be justified since it pays for freight, with very few sales shipped in less than truckload or carload quantities. "The food business is a volume business, and we plan to keep it that way. . . . If one of the biggest chains in the food industry regards it to be legal, there's not any shadow of a doubt of its being so."

This campany's discount system, new in effect for seven years, is 1% for 5,000 to 20,000 cases; 2%, 20,000 to 36,000 cases; and 3% over 36,000 cases.

A large midwest manufacturer of industrial equipment feels that its volume discounts are legally justified as long as it maintains "fixed, announced rates, with no preferential treatment." Its rates, based completely on manufacturing and shipping costs, start at 2% for 50,000 units and escalate upwards with larger orders.

This company discloses that many customers are continually asking for discounts, although "This is a minor factor in determining discount policy." The firm relies on the volume discount as a sales stimulant, "to secure the largest possible order for lowest unit cost of production, scheduling and shipping."

- A big supplier of bulk resins grants "quantity differentials" for orders of 1 to 9 drums, 10 drums to a carload, carloads of drums, and tankcars of bulk resins. These lower prices for bulk shipments and large orders are justified, claims the company, because they reflect cost savings in manufacturing and packaging as well as fixed costs such as invoicing and order handling.
- A food company feels that its volume discounts, varying as high as 215% on truck or carload orders, are completely justified. "They encourage buying at our products... We pass our savings on to the customer," says the sales manager. These discounts are based on surveys of "shipping and warehouse savings accrued by volume orders."
- An automotive equipment firm points out that at times its competitors exert considerable discount pressure. "Some new company frequently offers fantastic discounts in an effort to get established. We ignore such companies. We

Sixty-six companies are now fighting price discrimination charges. Most of these companies are involved in FTC actions as a result of volume discounts. A list appears on page 114.

With a cost study as a basis for discounts, a salesman can possibly deal more effectively with mass buyers who demand volume discounts on big orders. The seller can give the buyer—particularly of big chains, large distributors, leading department stores—evidence that such-and-such discounts can't be justified and would be illegal. The seller can even point out to the big buyer that both seller and buyer will risk FTC action if unjustified volume discounts are knowingly induced by the buyer.

If the seller then loses the order because of the disallowed discount, he might want to keep an eye out to see who gets it. A short note to the FTC might then be in order. It would be kept in complete confidence and could well be a step toward a cleanup of an industry-wide, out-of-hand discount situation.

Recent Commission actions indicate that the FTC will be trying wherever possible to get entire industries to agree to eliminate unfair trade practices. In the past, however, the Commission generally hit one company and hanged it as an example, while most of the others stuck to their old practices.

One instance of this shift in FTC thinking, almost a classic one, was the crackdown a year ago on misleading advertising of auto battery guarantees. As investigations of consumer complaints got under way, it soon became evident that the challenged ads would be defended on grounds that "everybody is doing it."

(continued on page 114)

Discounts - For and Against

have found that after a while they usually go away."

This firm's president points out that "a comparatively new development in the automative equipment sales field is the growth of the warehouse distributor as an important factor in sales. Discounts in this field have not yet fallen into standard, accepted patterns."

(Editor's note: The understatement of the year—in view of recent FTC activity in this field.)

Against Volume Discounts

e Because Swank, Inc., doesn't give volume discounts, says General Sales Manager Harris Shaeffer, it has been feeling increasing pressure from the large retail outlets to which it sells direct. These include several major chains that buy over \$500,000 a year from Swank.

The firm amits discounts, not because of legal qualms, but because they would cut too deeply into profit margins on its line of men's accessories. Instead, the firm offers 4% for co-op ads, free point-of-purchase displays, and a special service of readjusting customers' stock.

Shaeffer disclosed that Swank has been affered "preferential treatment"—continuous stocking of its merchandise—by several of the largest chains, if it would grant discounts. He added that the company was forced to pull out of a big mail order house ten years ago because it could not profitably comply with demands for volume discounts.

Shaeffer admits that If his two major competitors, Hickok and Shields, decided to allow discounts, Swank would be forced to follow suit.

Pendleton Woolen Mills' Sales Manager C. M. Bishop,
 Jr., declares that "It makes no difference whether a customer buys one shirt or 100, the price is the same. Our

policy of equal treatment to all customers has been in effect more than 40 years. . . . We must have a policy that's fair to all, as well as simple and easy to administer."

e Jantzen, Inc., world's largest swim suit maker, has always been on a "same price to all customers" basis, except for one year in the middle of the depression. That experiment, a year-end refund based on a graduated percentage of total purchases, was dropped quickly. Many customers had forgotten that the checks were refunds and wrote the company thanking it for the nice year-end "gift."

Jantzen sells directly to retailers, not through jobbers. Says Don Kennedy, v-p and general sales manager, "We sell to all retailers at the same price, no matter what their geographic location or the quantity of their purchases." The company does pre-pay all freight charges, including considerable air freight, because, "As long as we suggest the retail price, our product should be sold at the same price to all."

- e Per Milk Co. claims it hasn't given a discount in 40 years. But, Gordon Ellis, v-p of marketing, Food Products Division, admits that the company does grant lower prices as "direct result of transportation economies." Uniformly applied to all customers, these allowances range in five steps from less-than-carlood orders to 60,000-lib. car orders.
- * Sylvania Electric Products recently had to turn count the largest single order ever received for its photolamp equipment—because the customer demanded a volume discount, and Sylvania wouldn't give It. Robert Kleinfeld, marketing v-p, Photolamp Division, adds that the company does pass on transportation savings to distributors who order half and full carload quantities, in the form of ½% and 1% allowances.

From PEANUTS To PANTIES



ESSO'S "MOTO-MAT"—Designed to attract "motorists who do not like to delay by stopping at restaurants," says Esso, this experimental service station offers a wide variety of "services" from motel reservation center to completely vended food.

S o adjustable is the human temperament that most of us scarcely realize the extent to which we buy products and services dispensed by machines. And from a marketing point of view, we are almost all affected, directly or indirectly, by the fact that machines have taken over so many selling operations.

Within a recent 2-week period the press carried announcements that (1) a new "Moto-Mat" experimental station opened by Esso Standard Oil at Gramercy, Louisiana, features a bank of vending machines that make change automatically and dispense soup, sandwiches, canned foods, fruit juices, ice cream, soft drinks, candy coffee and pastry; and (2) Pepsi-Cola, in collaboration with the Vendorlator Co., has developed a coin-operated machine which dispenses the 6-pack Pepsi cartons.

About the same time The New York Times published an article about the increase in unattended coinoperated laundries to 24,000. An interesting sidelight: An operator of one of these has set up an adjoining bowling alley for the entertainment of patrons waiting for their finished laundry. Another has opened a reducing salon next to his laundry establishment, with various coin-operated devices, such as vibrators and a mechanical bicycle.

As industries go, automatic merchandising is still no giant. But its rate of growth is rapid. Its influence is felt in many fields. It has significance for consumers. Of greater significance to readers of Sales Management, it offers opportunities and, in some cases, potential competition to many areas of business. The accompanying questions and answers touch upon many of the ways in which you may be affected by this rising trend.

1. Is there a chance that the trend toward automatic merchandising will affect my company?

Yes, a good chance. The types of merchandise now dispensed by machines keep increasing, and have progressed far beyond the "staples," such as cigarettes, candy, cold and hot beverages, to include hot plate combinations, soft goods, cosmetics, bait (fishing worms), and a long list of other items. Coin-operated machines are being used increasingly,

and in some instances are replacing cafeteria and food-service operations in factories and schools. Management finds them a solution to the coffee break problem. So there's a chance that sooner or later something your company produces will be sold through machines, that your company will turn to automatic merchandising to answer its mass feeding needs, or that you will find your firm producing a thermostat, a valve or improved package tailored to the requirements of the automatic merchandising industry.

2. What is the structure of the automatic merchandising industry?

It consists chiefly of those who operate the machines, those who supply the products distributed through them, and the makers of the machines. Membership of the National Automatic Merchandising Assn. consists of 1,400 vending operating companies and more than 100 manufacturers of vending machines, manufacturers of component parts, and suppliers of vendible products.

3. What is the rate of growth of the industry?

According to the NAMA, estimated dollar volume increased from \$30 million in 1925 to more than \$2 billion last year. The number of vending machines in use rose from 50,000 to approximately 4 million.

4. In what categories of products is volume (through automatic merchandising) greatest?

The "staples" still lead. In 1959, cigarettes accounted for an estimated \$840 million, followed by soft drinks, \$633.2 million; candy, \$225 million. But, surprisingly, coffee – still a relative newcomer in this field – and hot beverages attained volume of \$189.6 million. Sandwiches and pastry sales in 1959 were almost twice the 1958 figure.

Biggest increase is anticipated in mass feeding. The vended hot platter assortment meal is just around the corner, the industry believes. But most of the 1959 hot food sales, \$21.2 million, came from heated cans. The Acacia Mutual Life Insurance Co. (850 employees), North Electric Co., Galion, Ohio (500 employees), American Motors Corp., Detroit (11,000 employees), are among the growing



CHAIN STORE VENDING—This bank of outdoor vending machines at Grand Union super market in East Paterson, N. J., offers evidence that vending and store selling can be compatible. Chains vend staples as an after-store-hours service to customers.



NEW MACHINES feature high visual display. This Rowe Mfg. Co. unit dispenses 130 food and soft drink items.



SIX-PACKS—Pepsi-Cola and Vendorlator Mfg. Co. developed this machine to dole out six-pack take-home cartons.

number of large firms with automatic in-feeding facilities for workers. According to NAMA, this trend will continue, but the rate of growth depends on the variety and quality of food offered; packaging and serving improvements (such as "dishes" of aluminum foil or plastic to vend hot food or complete meals); and the improvement of automatic machines—for example, those capable of thawing, heating and dispensing frozen foods, within a few seconds. This last problem may have to be solved electronically.

According to a survey by the Paper

Cup and Container Institute, more than eight out of ten American manufacturing placts queried said they are using vending to help solve factory feeding problems. More than one out of five depend on vending exclusively to provide in-plant feeding.

5. What are the large food companies doing to compete for a share of the coin-operated machine market?

Some idea of their methods may be gleaned from a study of the NAMA's 1960 directory, which lists more than 30 coffee suppliers, 25 soup and hot canned food suppliers, 70 soft drink and flavor producers, and more than 100 candy manufacturers.

Advertisements in the directory are indicative of the keenness of competition among large and small manufacturers for a share of the market. Campbell Soup Co., for example, uses a color page to show 17 of its canned soups and four other products, with the claim, "More Campbell's Soups and Hot Foods Are Sold in Vending Machines Than Any Other Brand." General Foods, uses a double spread featuring four products specially packaged for vending machines: Maxwell House vending coffee, in 1-lb. moistureproof bags; Dean's DMC and Perc-O-Lac (dried dairy products), both for coffee vending machines; Baker's chocolate flavor instant vending mix (2-lb. bags); and Maxwell House vending roast coffee, in several sizes.

Armour & Co. offers seven varieties of canned meats for "your 'Hot Foods' vending machines." American Home Foods lists and illustrates fourteen Chef Boy-Ar-Dee "dishes to rotate for menu variety." Heinz lists "Eleven Fast-Selling 'Quick-Fix' Meals." The Nestlé Co. uses four pages, in color, to feature Nescafé vending machine coffee, Choc-Lade (for hot drink vending), Nestea, instant soups, and several other items, including chocolate bars.

A good deal can be learned about the approach of these companies to the market through a study of their advertising. First, there is the fact that most of them, if not all, have set up special vending machine sales departments: "Contact your Armour Vending Products Sales Representative," says Armour. . . . "Write: Vending Products," says American Home Products. "Nestle's trained vending specialists are ready to help you solve any vending problem."

Much buying through machines is impulse buying, and the odds are in favor of well advertised, "pre-sold" merchandise. Thus the large companies make a point of emphasizing to the trade the value of their national advertising, with the implication that consumers will patronize those machines stocked with brands they know. Examples: "People know and trust the Campbell label. And consistent Campbell advertising on nation-wide TV and in magazines helps keep them sold . . . "; "Ads like these, for over 50 years, have whetted the appetites of millions of Americans for Canada Dry" (two full-page consumer advertisements are reproduced); "A continuing program of magazine and newspaper advertising Macy's Now Vending Soft Goods

Conventional retailers are continually trying to find the right formula to a successful combination of automatic vending and personal or self-service selling. On the surface, vending appeals as a natural traffic builder. However, with the exception of afterhours selling of staple goods at super market locations, most vending at major retail stores has been very limited. Some installations are still experimental; some have been dropped as complete failures.

Now, Macy's is installing a pilot vending machine for another crack at the problem. Developed by National Vendors, Inc., and National Rejectors, Inc., of St. Louis, subsidiaries of Universal Match Corp., the latest machine has an advantage over recent installations by Filene's (Boston department store)—a changemaking unit that will handle single-dollar bills and fives, for items that may be priced up to \$9.90.

Filene's experiment in special vending-machine centers at public locations for vending soft goods, toys, novelties, etc., began in 1950, was dropped in 1953. The failure was largely a result of the lack of change-making equipment, industry men say.

Since that time, machines have improved and much more is known about automatic merchandising techniques. The Macy's experiment in vending sportswear, underwear and soft goods (supplied by Allison Manufacturing Co.) will be observed with interest from many quarters in marketing.

As an indication of manufacturers' desire to press automatic selling to the limit, National Rejectors is expected to introduce a change-making unit that will handle \$10 and \$20 bills, by the end of 1960.

sells Armour Star Canned Meats to your customers!"; "Quality Nabisco Crackers and Cookies in NAB Packets . . . Backed by the Biggest Advertising Support in the Business . . . "; "Nestle's advertising pre-sells products for you."

6. What are some of the other types of companies with important stakes in this field?

An idea may be obtained by studying the roster of machine manufacturers in the NAMA directory. Here we find lists of makers of coffee venders (concentrate, fresh-brew and prebrew); milk, juice, soup, tea and soft drink venders, and machines for vending cookies, pastry, gum, popcorn, sandwiches and specialty foods. But there are also ten manufacturers listed as having machines to dispense such items as combs, lipstick, perfume, towelettes, shoe shine packets, razor blades, shave kits, cleansing tissues, hair oil. Six companies make machines for vending ice cubes, six for vending insurance, eight for pens and pencils, two for magazines and newspapers, and three for handkerchiefs. Under the heading, Miscellaneous, we find machines for vending radio and TV tubes, toys, postal cards, notebook paper, detergents, hosiery, novelties, name plates, paper cups, film, flash bulbs.

7. What about coin-operated services?

Many of these are so commonplace that we take them for granted. Examples include weighing machines, parcel lockers, pay toilets, tokens (for subway rides). But you can also drop a coin into a machine to get a shave, a shoe shine, a foot massage, or to look through a telescope. The mushrooming growth of the unattended coinoperated laundry machine is discussed earlier in this article.

8. Are there many firms making component parts and accessories for vending machines?

The NAMA directory lists 375 firms as "manufacturers and suppliers of component parts and services." Some of these, such as Du Pont and J. Lan-



THe Modern ArT of Marketing

This is not a Jackson Pollock painting. It is a chart of the cigarette market from 1946 to 1958. The bold line at the top is the total market. The squiggles below are 30-odd brands, regular, king-size and filter.

The battle of cigarette advertising is big and hot. But it's only part of this year's \$11 billion advertising competition for a share of the consumer's mind and money.

The struggle to stand out from the \$11 billion crowd is one reason why many advertisers are taking a new look at magazines. In The Saturday Evening Post, for example, you're *sure* your ad page in a single issue will be seen 30,861,000 times. You're *sure* your ad page will be seen by your best customers — the \$4,000-and-higher households that spend two-thirds of all durable- and package-goods dollars. You're *sure* that readers will *return* to your ad page... that you'll have plenty of opportunity to sell them.

Marketing is a modern art. Let the Post help you paint a brighter sales picture.

YOU GET THROUGH TO PEOPLE (INFLUENTIAL PEOPLE) IN THE POST





In areas covered by 65 leading newspapers, more people read the advertising in PARADE than in the "big three" weekday magazines combined.

PARADE

The Sunday Magazine section of strong newspapers throughout the nation, reaching ten million homes every week.



dau, make finishes. Others, such as Meyercord, and Palm, Fechteler & Co., make decals used on vending machines. General Motors produces motors, relays, switches, thermostats, heating elements, and lamps for vending machines. Other well known names include: Robertshaw-Fulton (relays, switches); Aluminum Co. of America (aluminum and stainless steel products); Bendix-Westinghouse (compressors, condensing units and parts); Controls Co. of America; Dazey Corpo, (sanitized hot food can openers, spoon and napkin dispensers); Faultless Caster Corp. (casters and glides); Thor Power Tool Co.

 It is often said that financing is a major problem for the vending machine industry. Why is this so?

This is best understood through a comparison with other types of selling operations. An automobile dealer, for example, buys from the manufacturer on credit, resells to the consumer at a profit, then pays the manufacturer in full. The vending machine operator buys a vending machine, but does not resell it. It may take him several years to amass the profits to pay for a machine. As a result, quite a bit of capital is needed to finance the purchase of a goodly number of machines. The problem is being solved, in some degree, by suppliers, who help small operators in one way or another, through liberal credit terms, "going on recourse" on the operator's loans, and so on.

10. Are the suppliers (makers of

vendible products) taking maximum opportunities to capitalize on the potentialities of the market?

Even though some of them are setting up special departments to handle sales through vending machines and some are offering dealer aids and other assistance, the industry (manufacturers of machines and operating companies) considers that many suppliers are dragging their feet. "They are not paying enough attention to financial problems; and they don't realize that this is an entirely different method of selling, one that requires special techniques, special personnel," says a spokesman for one large firm which is both a manufacturer of machines and an operating company.

11. What are some of the problems whose solution will be of great value to the industry.

(a) Hot plate dispensing—a method of heating ready-to-eat food and dispensing it within a few seconds.

(b) A method of dispensing canned foods, such as soups, spaghetti, meat balls, not only heating them, but ejecting them from the cans into dishes or other containers from which they may be eaten. Thousands of cans of foods are being dispensed through machines, but the consumer must still open the can himself and eat from it. The astute manufacturer who develops a machine or a combination of equipment which will dispense a can of hot food, open it (or make it easy for the consumer to (continued on page 116)

This Year's "Survey" to Be Published July 10

To the world of marketing, May 10 has become almost as outstanding on the calendar as July 4 is for all citizens. The date is almost as well known as the issue for which it stands—Sales Management's Survey of Buying Power.

This year the issue date will be July 10.

The May 10 date could have been maintained, with a further up-dating of our estimates, but it would have meant continuing the use of the 1954 Census of Retail Sales as the benchmark. Last year the Government made a business census for the year 1958, but final revised returns have been delayed by Washington.

The editors believe that subscribers would rather wait another two months and get retail sales estimates for 1959 projected from the new 1958 base than have us work from the 1954 base; and so July 10 has been selected as the issue date.

The Editors
Sales Management

The most important advertising target you have is customers



You can profit from a new series of market studies which focus on customers for a score of key products and services, family bought and company bought.

For example, take just one area of consumer spending power—vacation travel. Only 29% of the nation's vacationing families travel by plane, train or ship. Yet, this small group will account for 55% of the vacation dollars spent.

Who are these relatively few families—the real vacation customers?

Income and occupation quickly identify these 7,500,000 who spent some \$6 billion vacation dollars.

■ Only half of the nation's families—those with incomes of \$5,000 or more—will spend 94% of the total vacation dollars. In fact, just a fourth of America's families—those with incomes of \$7,500 or more—will spend 82% of this total outlay.

Managerial and professional families provide 79% of the vacation dollar volume.

It is not surprising then, that the three news magazines, which concentrate on high-income people of responsibility, provide the best coverage of this consumer bull's-eye.

And among these magazines, "U.S.News &World Report" emerges as . . .

The most important magazine of all



The new study shows that "U.S.News & World Report" alone covers better than a fourth of the 7,500,000 families buying tickets on planes, trains or ships. And of the 14 major magazines studied, it covers these known travelers at lowest cost per thousand.

It's another case where customer and audience characteristics match. Nine out of ten "U.S.News & World Report" family heads hold managerial or professional positions. Their family incomes average \$15,496—highest of all magazines with more than 1,000,000 circulation.

These are the kind of people who depend the most on the essential news of national and international affairs which "U.S.News & World Report" gives them every week, to the exclusion of all that is trivial or superfluous.

Ask to see the new 19-minute film report of the study, "Today's Vacation Travelers by Plane, Train and Ship." It is one of six such special film reports based on "U.S.News & World Report" market studies that are now ready—corporate stock, business travel, hi-fi and stereo equipment, home air conditioning and car rental. Contact your advertising agency or any of our advertising offices listed below.

U.S.NEWS & WORLD REPORT

America's Class News Magazine

Now more than 1,150,000 Net paid circulation

Advertising offices at 45 Rockefeller Plaza, New York 20, N.Y. Other advertising offices in Boston, Philadelphia, Pittsburgh, Cleveland, Detroit, Chicago, St. Louis, Los Angeles, San Francisco, Washington and London.

Are Your Oldster Salesmen in a Rut?

Many companies find their elder salesmen, distributors or agents like to take it easy and sell just enough to get by. Now, Cleaver-Brooks solves this problem by teaching oldsters new selling techniques and challenging them out of their rut.

"I have about a half-dozen good, old-line customers. We meet over a few drinks and play golf every so often. I can always depend upon them to renew their business, even increase it here and there. You'll admit, it's a sizable volume."

This "mature salesman," an agency owner representing Milwaukee's Cleaver-Brooks Co., didn't use many words to sum up his entire work for the year—as well as his philosophy of sales. Instead, he let his fat sales figure speak for itself.

He's an "old reliable," without whom C-B probably would not be in business. His sales experience totals some 15 years, about ten with Cleaver-Brooks, a maker of packaged boilers. He knows his territory and his men. He knows packaged boilers well and has thoroughly oriented his customers about them. They seldom ask him questions about the product.

New customers? He lets the junior salesman go after them.

Cleaver-Brooks president, John C. Cleaver, admires this man for his stability, but insists that he go one extra mile. The packaged boiler business is so tied up with the population explosion that the firm can't afford to neglect new markets—new schools, buildings, hospitals, industry. It plans to meet these challenges through new products, new design, new customers.

"Frankly," says Cleaver, the "old stand-by's philosophy doesn't spur anyone to get new business. The junior salesman won't do his best without the know-how, advice and incentive from his boss."

What do you do with these mature salesmen in a rut?

You bring them back home for a challenge—instruction in new products and design, new methods of marketing and sales, and discussion about new business. You don't minimize their fine work with the old accounts, but you fire them with enthusiasm for conquering the new and for inspiring their salesmen to do likewise.

President Cleaver, Executive Vice President Fred Hainer and General Sales Manager Harold Holtz have done just that—brought their veterans back to school for a 5-day postgraduate course.

Holtz, in charge of the project, has arranged a program to solve four of the veteran's problems:

- "The older man seems to prefer caring for his own garden to planting new seeds. Fine, but what happens if those 'veteran customers' pass out of the picture? How would they be replaced if the salesman tries to get new business today with methods ten vears old?
- "Because he has sold many boilers and knows the product well, the veteran salesman is inclined to assume the customer knows as much as he. The veteran will skim over the explanation of a point that's really basic. Unlike the old customer, the new one wants to know about every screw and eye in the boiler.
- "It's hard to interest veteran salesmen in new selling techniques. They'll scan the sales bulletin, pass it on to junior salesmen, and dismiss it

without giving it much thought.

 "The agent-manager and veteran has to spend more time on administration, supervising salesmen, etc., and less on selling. This detracts from customer contact, in which he learns what his customers need."

Occasionally a veteran will become ripe for a school session. This usually happens when a junior salesman, just back from a week with the president, executive vice president and the sales manager—and a full course in selling new products—turns in a big sale with techniques and results that baffle the boss. The agent-boss tries to remember the last time he turned the same trick and thinks maybe he ought to grab the next chance he gets to attend a sales school

In most cases, however, the veteran has to be sold on the sales training school. He's attended too many—some dull and uninspiring. Therefore, Cleaver-Brooks has tried to make this school different in five ways:

The school is geared for executives, as most of the salesmen are agents or dealers.

Half the time goes for instruction on products, the other half for rejuvenating the thinking of the agency veteran on advertising, selling, expenses, simpler office procedures and more efficient administration. "Most firms tend to pass along product knowledge but fall short on helping the dealer or agent upgrade his allround operations," Holtz observes. "We found we cannot do that. These

How to face up to your profile

There are businessmen who profess to believe in the Marketing Concept, but who know little about their company's Corporate Image, or can't see the benefits of Marketing Research. Or the other way around, and vice versa.

We believe that all three of these basic marketing tools need to be used together to sell things effectively to people. And we use a surprisingly simple method for integrating them into a unified marketing strategy, the effectiveness of which has been proved in use.

Since these methods are not subject to copyright, we're understandably reluctant to lose our equity in them by disclosing *how* it's done. However, *what* is done should interest you.

First, we find out—from your customer's view-point—what he wants from a supplier of your kind of goods or services. This includes every phase of the buying transaction from price and delivery to distribution methods, product features, performance, maintenance, etc. Then it's possible to rank these criteria in order of their importance to the customer, and to draw a "profile" of a perfect company in your field—the customer's image of the ideal supplier.

This type of marketing research reveals what factors really influence your customer's buying decisions. Then, the next step:

We find out how your customers rate you against their image of the ideal supplier in your field. This is your Corporate Image or "Profile." You can see where your company falls short and where it excels. Together, we can isolate internal weaknesses which may require internal correction—in your products, your policies, or your organization. You'll see those areas where you may rate far better than you thought, so you can divert your promotional effort to other areas where it may be needed more.



The result is this: You get concrete facts on which to base a selling strategy aimed at your customers' known desires. This, as everybody knows, is the Marketing Concept.

This matter of facing up to your own profile, and doing something about it, is not complicated, nor is it costly. But the best thing about it is that it works.

If you have more than an academic interest in how it can work for you, we'd be pleased to tell you more.

Marsteller, Rickard, Gebhardt and Reed, Inc.

NEW YORK . PITTSBURGH . CHICAGO .

VERTIS

AFFILIATES

PUBLIC RELATIONS . BURSON-MARSTELLER ASSOCIATES, INC.
MARKETING COUNSEL . MARSTELLER RESEARCH, INC.

agents are a part of our team, and we should make the best possible teammates of them."

The firm provides a stenographic and telephone service for each "student." He can make or take phone calls during class breaks. No emergency back home need wait until the boss returns to his desk.

2. The school challenges the executives.

Refreshing slogans meet the students in their classrooms. "Engineer your way into the job; prices will be easier to justify," is the theme for one day's session of the "C-B College of Selling Knowledge."

The school uses the latest instruction techniques—visual aids, 35 mm. slides, viewgraph slides, charts and diagrams. A complete front head of a packaged boiler has been brought right into the classroom.

Topics include: "The Cleaver-Brooks you should know and talk about," . . . "Do you know the five steps to a sale?" . . . "Advertising? Can it help?" . . . "Properties of water and steam and how to handle them."

"While we know the seasoned salesmen are well acquainted with the basics of our product, the speakers in the school assume they know nothing. They explain the boiler operation down to its most elementary level. They list all its workings and its strong selling points," says Holtz.

3. The school takes advantage of leisure time.

"Work hard, and when time permits, enjoy yourself," President Cleaver's message of welcome says. Much of what the men learn in the classrooms is discussed in nightly bull sessions. The firm encourages this by quartering all students in Milwaukee's new downtown YMCA, which provides a better climate for business than pleasure.

There are some evening activities—a cocktail party at the Cleaver home, followed by a "get acquainted" dinner at a restaurant on the opening night, and another dinner with entertainment on Thursday night. The school closes Friday noon.

4. Top management participates frequently.

"During the course of the school we hope to plant within you the seeds of enthusiasm," says Cleaver. "As you know, enthusiasm is the most important ingredient for any sale. But first you must know the product. Each one of you is here for product knowledge." Somewhere during the 5-day schedule Cleaver also finds time for private interviews with each man—at his home, at dinners, or during the classes. He also gives the closing "commencement address." Hainer, executive vice president, participates in a panel, in addition to giving the school its official opening.

The school checks on what the salesmen have learned.

Each man receives a looseleaf booklet and mimeographed copies of all lectures, diagrams, charts, etc. They are advised to make notes "to remember the material in their own words." The company also passes out "survival kits"—not for protection against nuclear blasts, but against competition.

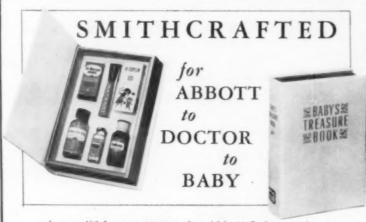
Each student writes a 90-minute examination on the Friday morning before the school closes. Cash prizes go to the wives of the two top scorers. "We feel the wife deserves something for letting her husband spend five days with us," comments Holtz. Each participant is awarded a diploma—a B.S. for "boiler salesmanship"—suitable for office framing.

- ➤ Results of the school? Here are sample comments from "alumni":
- ". . . I had forgotten many sales advantages of our product. I was able to learn them all over again."
- ". . . I now realize that much of what I have heard and repeated about our boilers must be changed."
- ". . . A new approach to selling-that's what I needed. I was in a rut."

Enthusiasm at headquarters, too, has grown from the school. Holtz reports: "The school has made the entire home office staff more sales minded. Service, Product Engineering and Design, even Accounting, have come to participate more actively in the school and have developed a more understanding attitude toward Sales."

The benefits also extend to top management. Says Cleaver: "We cannot operate at our best without a close liaison between the home office and the field. The football coach is really an important part of his team. When he sends in a substitute with a play, unless he knows what his players are up against, what they are thinking and what they can do, he will probably fall down in his play selection.

"We feel our firm knows the problems of its sales team all over the country, and we are prepared to send in the play [the product] that will keep us in the lead."



A new lifelong customer for Abbott Laboratories as a result of an S. K. Smith design for utility and function. . . . This type of creative design can be your answer to the attainment of more and better customers and customer relations.

For the answer to your sales or sales aid problem call your nearest S. K. Smith Sales Office.

Illustrated Brochure Available on Request

THE S. K. SMITH COMPANY

CREATORS OF SALES AIDS FOR MORE THAN FORTY YEARS 2857 NORTH WESTERN AVENUE, CHICAGO 18, ILLINOIS OFFICES IN LOS ANGELES, CLEVELAND, AND NEW YORK



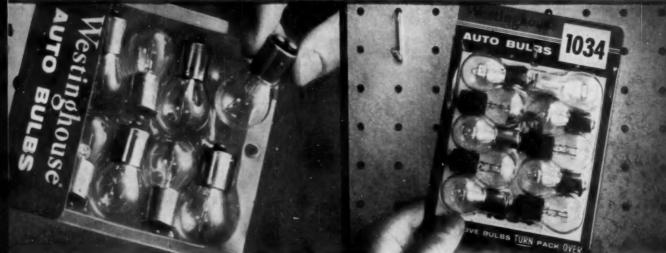
TAKE BLISTER PACK ...

SLIDE OUT CARDBOARD ...



REMOVE BULB ...

HANG UP FOR NEXT SALE



Stidentay package by Playatt Inc. 5-96 46th Avenue Long Island City N. V.

Westinghouse uses celanese acetate sheeting to sell auto bulbs

Westinghouse packages a complete line of auto bulbs—five different sizes—in Celanese Acetate sheeting. The products beckon to customers through their sparkling acetate showcase. And look at the intricacy of the thermoforming. The slide track blister fits closely over all ten bulbs, holding them tightly to the backing yet easily accessible for unit-by-unit sale. Acetate blister packs are rigid, protective, won't embrittle even when stored for years . . . and they're economical, too!

If you want a cost-cutting way to make a top quality

package, why not see what thermoformed acetate sheeting can do for you? Blister packs can be produced at high speed, with filling and sealing operations accomplished automatically. We'd be glad to discuss the costs of converting your operation to blister packaging. Or, send for literature on thermoforming. Celanese Plastics Company, a Division of Celanese Corporation of America, Dept. 131-F, 744 Broad Street, Newark 2, N. J.

Canadian Affiliate: Canadian Chemical Company Limited, Montreal, Toronto, Vancouver Export Sales: Amcel Co., Inc., and Pan Amoel Co., Inc., 180 Madison Avenue, New York 16

acetate...a Celanese packaging plastic

The New Consumer of the 1960's

By BETTY STEARNS"

During the current decade, the female consumer will continue to draw increased attention from the market-minded executive, and will be the chief target of his sales and advertising efforts. What will she be like? What will be her needs and desires and her general potential as a customer?

The new consumer, according to a recently assembled panel composed of people in merchandising, manufacturing and advertising, will live in her own home, in suburbia. Her desire for "togetherness" will be reflected in a larger family, and more and bigger rooms for her house.

Her approach to things she wants will be: buy now-pay later. Because of her better education, she will control her debt level, but she will not be

O Vice President and Director of the Women's Department, Public Relations

afraid of going into reasonable debt. She will be attracted, even fascinated, by change and anxious to try

nated, by change and anxious to try new products and new ways of doing things. She will buy wash-and-wear clothing—but send it to the cleaners.

She has a clearer picture of how she wants things to be, is less fearful of expressing herself than is her mother.

Her taste, molded by television and the "home service" magazines, will be better, according to popular standards. She will demand and get from the mass market, more sophisticated designs at moderate prices.

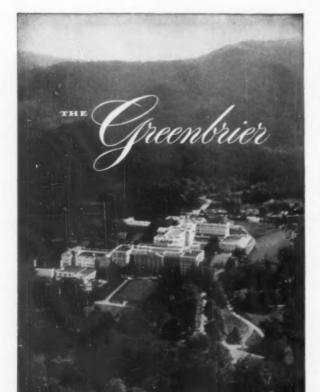
In her personal life, she wants to be served (this tendency increases as you move west), but still needs good reasons why she can't "do it herself." She doesn't really want to—but she must be told why a professional can do it better.

Her desire in terms of furniture: utility-but not purely "stripped down" functional. She will be given products that really show thought on the part of the designers reflecting the new consumer's way of life. (She sometimes likes to watch television while she's dining, so small folding tables will emerge from coffee tables; she likes to read in bed, giving rise to adjustable headboards.)

As a shopper, the new consumer will be more quality conscious and more astute in her ability to recognize good values. She will want more help at the retail sales level in areas of color coordination and style selection, as well as more product information.

With increasing social uniformity, designers will need greater knowledge of consumer preferences. Opportunities for test marketing at upper or upper-middle class levels—prior to volume production—will become increasingly scarce. Products will have to catch on with the majority immediately. To avoid failure, there must be more extensive depth pre-testing in the majority market.

Those who adhere to these trends will find a strong position in the competitive and newly emerging markets of the '60's.



AMERICA'S INFORMAL BUSINESS CAPITAL

You will find at The Greenbrier the perfect setting for your conference, whether it be for ten or a thousand people. The new, air-conditioned West Wing has an auditorium with a 42-foot stage, new sound and projection machines, splendid banquet arrangements, a theatre with a CinemaScope screen. Ready soon will be our new 17,000 square foot exhibit hall. For aftersession enjoyment The Greenbrier's recreational facilities are unsurpassed. And our staff of experts not only helps in planning your program, but they also handle the details to carry it through successfully.

Special Winter Rates available on request. Include a spacious, luxurious room and The Greenbrier's traditionally fine meals, green fees (our courses are playable much of the winter), swimming in mosaic tile indoor pool, membership in the Old White Club and gratuities to service personnel. EFFECTIVE DEC. 1, 1960–FEB. 28, 1961.

FOR INFORMATION write Charles L. Norvell, Dir. of Sales. Also reservation offices: New York, 17 E. 45th St., MU 2-4300 Boston, 73 Tremont St., LA 3-4497 • Chicago, 77 W. Mashington, St., RA 6-0624 • Washington, D. C., Investment Bldg., RE 7-2642 • Glen W. Fawcett: San Francisco, 1029 Russ Build-

ing, YU 2-6905 • Seattle, 726 Joseph Vance Building, MU 2-1981 • Dallas, 211 N. Ervay, RI 1-6814 • Los Angeles, 510 West Sixth Street, MA 6-7581.

Greenbrier

WHITE SULPHUR SPRINGS . WEST VIRGINIA

Build your sales on a new packaging concept and AVISCO° CELLOPHANE



AVISCO CELLOPHANE concepts like these



FRACTIONAL PACKS offer superior freshness and flavor retention. The consumer can open one of the inner packages, and leave the others sealed until she's ready to use them. This feature is a proven sales builder when merchandised on the outer, printed cellophane wrap.



PORTION PACKS of foods are wanted for lunch packing, parties and picnics. They're also favored by institutions and restaurants because of easy handling, and cellophane's freshness and flavor retention.



TRANSPARENT BUNDLING with cellophane saves money. It eliminates the need for printed or labeled boxes and paper overwraps. Its 6-sided visibility also means instant identification and faster count.

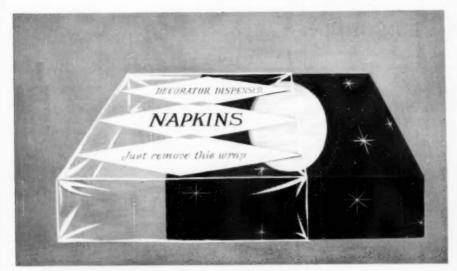
can help you develop for y<u>our</u> products



BILLBOARD MULTI-PACKS give impact. The design extends over two or more packages, which are overwrapped in cellophane.



VARIETY PACKS create extra appetite appeal by offering consumers an attractive product assortment in one convenient package. The contents of the variety pack can be merchandised on the tray, or with a printed cellophane overwrap. Manufacturers of breakfast cereal and candy have had substantial success with this type of packaging.



SHOWCASE PACKAGING brings a product to consumers in a beautifully decorated container—without brand identification. The brand name is printed on the cellophane overwrap, along with a merchandising message about the showcase package. This new packaging concept has generated enthusiasm among consumers during the past year.



MULTI-PACKS increase unit sales. And cellophane overwraps not only show the contents best, but print your sales message beautifully.

In any packaging concept count on AVISCO CELLOPHANE for all these advantages:

- MAXIMUM SALES APPEAL. Of all low cost packaging materials, only cellophane has pure transparency and sparkle. It gives any product maximum appeal and builds sales on sight. It also prints beautifully for brand identification and merchandising messages.
- UNMATCHED PRODUCT PROTECTION.

 There are many different types of Avisco cellophane, tailored to give proper protection to a wide variety of products. Among these protective qualities are proper moisture control—sealing in freshness, flavor and aroma—keeping products clean and free from dust.
- PACKAGING EFFICIENCY. Cellophane is rigid and static-free. It feeds and forms perfectly on packaging machines. It seals consistently over a wide temperature range, and at virtually unlimited speeds. Without a doubt, cellophane is the leader in dependable, trouble-free packaging machine performance.
- TOTAL PACKAGING ECONOMY. Add all the advantages listed here to the low initial cost and consistent yield of Avisco cellophane, and you get total economy in any packaging concept. Don't settle for less.

Check the packaging concept that interests you. Fill in and mail this coupon ... or write to us, describing your product and the packaging concepts you have in mind.

AMERICAN VISCOSE CORPO MARKET DEVELOPMENT DE 1617 PENNSYLVANIA BLVD	PARTMENT
My product is	
I am interested in the follow	ing packaging concepts:
☐ Fractional Packs☐ Transparent Bundling☐ Variety Packs	 □ Portion Packs □ Showcase Packaging □ Billboard Multi-Packs
NAME	
TITLE	
COMPANY	
ADDRESS	
CITY	ZONESTATE

AVISCO'
FOR NEW IDEAS



AMERICAN VISCOSE CORPORATION, FILM DIVISION, 1617 PENNSYLVANIA BLVD. PHILADELPHIA 3, PA.

SALES OFFICES ALSO LOCATED IN ATLANTA, BOSTON, CHICAGO, DALLAS, LOS ANGELES AND NEW YORK.



SYMBOLIC - This loving cup, symbol of the National Sales Executives' annual "Sales Management-Raymond Bill" award, was accepted by Jack A. Hamady (second from left), president of the Flint (Mich.) Sales Executives Club, and senior vice president. Hamady Bros. Inc. The four cups were presented by Philip Salisbury, publisher and editor of Sales Management magazine, the donor. At the left is Tom Daisley, vice chairman of the NSE Awards Committee, who received the cup when the Columbia (S. C.) Sales Executives Club was judged one of the four winners in 1959. At the right, J. A. McIlnay, president of National Sales Executives, Inc., and v-p-marketing, Electric Storage Battery Co.

Winners of the Sales Management — Raymond Bill Awards

The competition was unusually stiff this year for the coveted "Sales Management—Raymond Bill" awards, named in honor of a founder and the first president of National Sales Executives, Inc.

For the third year in a row, and the fourth since 1939, the Sales Executives Assn. of St. Louis won one of the four cups.

The awards are given annually by National Sales Executives, Inc., to four clubs "which, in the opinion of the judges appointed by NSE, have shown evidence of making the best contributions to the advancement of salesmanship and sales-marketing through over-all club activity."

► Clubs are ranked and matched by size of membership. The St. Louis club won its 1960 first prize by competing with clubs of 300 or more members.

The loving cup presented to the Sales Executives Club of St. Louis, whose entry was prepared by Jack R. Dauner, executive director, was accepted by T. R. Armstrong, club president and president of Huttig Sash & Door Co.

First prize in the competition among clubs with 151-300 members went to the Sales Executives Council of the Chamber of Commerce of the New Orleans Area. The Council's president-elect, James Frank Jr., accepted the cup.

Top honor in clubs in the 76-150member class went to the Quad-Cities Sales Executives (headquartered in Davenport, Iowa). The cup was accepted by Paul W. Knowles, president of the club and president of Insurance, Inc.

The blue ribbon in the competition among clubs with fewer than 75 members went to the Flint (Mich.) Sales Executives Club, which has 67 members (see photo above).

This year, in recognition of the effort invested by all competitors for the four cups, National Sales Executives Awards Committee under its chairman, George J. Halaska, vice president, Acme Chemical Co., Milwaukee, also awarded certificates to each club which entered the contest.

Sales Management magazine is the donor of the loving cups in its own name, as a memorial to its late publisher, Raymond Bill, but plays no part in establishing the rules of the competition or in selecting the winners.

The awards were presented on the closing day of the 3-day 25th Annual International Distribution Congress at the Hotel Statler-Hilton in Buffalo, N. Y., May 15-18.

They were presented before 1,050 members of NSE who registered for the convention, plus 150 members who registered for single sessions. This contrasts with 700 members who witnessed the 1959 presentations.

New NSE Officers

National Sales Executives, Inc., will be guided by these officers, elected May 18, who take office for the year commencing July 1:

President: Fred Emerson, former NSE vice president, who is vice president and sales manager, Spartan Saw Works, Inc., Springfield, Mass. He succeeds J. A. McIlnay, vice president—marketing, Electric Storage Battery Co.

Vice President: Robert E. Johnson (re-elected), senior vice president, United Air Lines, Inc., Chicago.

Vice President: C. W. Jacobs, Liberty Mutual Insurance Co., and retiring chairman of the NSE Youth Education Committee.

Vice President: L. E. Doyle, vice president of Forest Lawn Memorial Park, Glendale, Cal.

Vice President-Canada: Robert E. Carson, vice president, The Diversey Corp., Clarkson, Ont.

Secretary-Treasurer: William Aydelotte, vice president, Ter Bush & Powell, Inc., Schenectady, N. Y. ◆



THEY'RE IN THE NEWS

BY HARRY WOODWARD

Next Year at This Week .

The Old Guard at This Week has been having long thoughts: Its chairman, John Sterling, is 72. He's moving up to be honorary chairman. The president, Euclid Covington, 67, climbs to the chairman's post. Which moves vounger men into positions of authority: Ben Wright (47) will be the new president. And in what amounts to a real departure from This Week's marketing methods, a new job has been created. Gene D. Wilken (whose education was from "the school of hard knocks" and NSE's Graduate School of Sales Management and Marketing) comes in as v-p in charge of sales development. He'll supervise and coordinate the activities of sales promotion, research and the three major marketing divisions. His job: "To furnish the tools for selling; to provide interpretation of data as to the strengths and weaknesses of This Week against other media." The idea: to provide a cohesive selling and marketing operation for the Sunday magazine supplement that goes with 42 newspapers from coast to coast, has a current circulation of more than 13 million. . . . Wilken, born in Wisconsin, began his sales career in 1944 in Los Angeles, as a salesman for Johnson & Johnson. Before transferred East in '44, he had become West Coast division manager. He came to New Jersey to head up an experimental company of J&J, designed to give sales aid at the retail level to lesser-known products. After the Korean War it was disbanded and he became sales manager for the Tek Hughes Division. Before he moved into This Week he had been director of marketing for Yardley of London, Inc. He, his wife and their teen-age son live in Greenwich, Conn.

New Marketing Man at Hooker

Hooker Chemical Corp. produces chemicals and plastics the man on the street can hardly pronounce. The company (annual net sales for 1959: nearly \$150 million) features "Chemagination," which it calls the key to its research; but it also produces tangible results. The "trumpet-lily" roof and hollow drainage columns in the Cultural Pavilion in Moscow-one of three featured buildings in the 6-week American National Exhibition - were fashioned from Hooker's fire-retardant Hetron polyester resin reinforced with fiber glass. During recent years Hooker has invested about \$71 million for expansion of productive capacity and improvement of facilities. There have been manpower expansions, too: The big chemical company has created a new post, director of marketing. And it has hired William F. Christopher to man it. Christopher had been with GE since '55 as manager of market development, Chemical Materials Department, Chemical and Metallurgical Division. He joined the company in '47. He's a native of South Bend, got his A.B. from De Pauw, won Phi Beta Kappa honors. Then came five years in the Army where he became a captain. And before he took a job he went on to Columbia, won honors in economics, got his Master's Degree in marketing. A past president of the Junior Chamber of Commerce of Providence, R.I., he was well known in the area for a weekly public service TV program for the economic development of Rhode Island. He, his wife and their two sons and daughter will move soon to the New York City area, which will be his new headquarters.









E. B. Miller



Robert H. King

Four New V-P's to Keep Up With Sales at Britannica

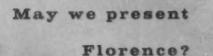
When William Benton became chairman of the board for Encyclopaedia Britannica, Inc., in 1943, gross sales of the Britannica publications were about \$3 million a year. By last year they had grown to \$70 million. They're still shooting up. And to administer the growing sales organization (see "How Britannica Sells One out of Three," p. 103), four young men have moved up the EB ladder. William H. Houghton has been elected v-p in charge of marketing, will administer departments handling sales promotion, advertising, research and operations and mail order sales. He joined EB in '52 as manager of the mail order department, was made

director of marketing last year. Three veteran sales executives have also been given v-p status: E. B. Miller moves up from division manager in Denver to head the western zone. Robert H. King, former national sales manager for EB, will head the central zone with Chicago headquarters. A. L. Sikking, Jr., former division manager in Atlanta, will head the eastern zone, with headquarters in New York. And all will report to Clay Cole, senior v-p in charge of all company sales. "The zone plan," says Cole, "was made desirable by the tremendous growth of the sales organization. Sales territories develop specialized problems. . . . With an

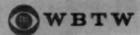


A. L. Sikking, Jr.

executive of vice presidential status in the territory, each manager and salesman has readier representation at the top management level. . . ."



Meeting Florence can be an exhilarating experience—for your clients' television marketing problems, of course. Heart of an agricultural-industrial area of 1,300,000 people in 30 counties, Florence is a single-station market with multiple attractions, not the least of which is



Florence, South Carolina

A Jefferson Standard Station affiliated with



MARKETING NEWSLETTER



SELLING

standard auto warranty thrown out by court More liberal warranty policies may be in the wind for auto and appliance makers, possibly others as well. . . . Reason: A unanimous New Jersey Supreme Court ruling against Chrysler and a local dealer. The court declared that standard warranties used by Chrysler—and other auto makers, and similar to ones used by appliance firms—"were not binding on the car buyer."

The case in brief: In '55, a New Jersey resident bought a new Plymouth, signed standard warranty form. Ten days later the steering mechanism allegedly failed; the car was demolished. Chrysler said the warranty only covered parts returned to the factory. . . . The court threw out the warranty as "a device to limit the maker's liability . . . [designed to] avoid the warranty obligations normally incidental to such sales . . . [and which] gave little and withdrew much." The decision, which awarded \$30,000 damages, was based on a warranty implied in laws of New Jersey (and many other states).

For now, auto and appliance makers will probably just watch and wait. It could go either way in other states. Because the warranty was disallowed as a contract and no proof of manufacturer's negligence was demanded, this goes against many states' precedents. . . . Yet, this case could represent the start of a new phase in the "protect the consumer at all costs" trend already evident at several levels of government.

WORLD MARKETS

vast price differences hurt U.S. sellers abroad Price disadvantages ranging up to 70% now confront U.S. goods competing in foreign markets. Most frequent range of price differentials is 30% to 50%.... These facts came out in recent testimony before a Senate committee by H. B. McCoy, former top Commerce Department official, on basis of a survey among members of the new Trade Relations Council, which he heads.

All Latin American nations lead the list of countries where U.S. exporters lose sales because foreign products are cheaper; next come France, Italy, West Germany. Low pay scales are big reason why foreign competitors have big price edge. In Far East, wage levels sink to 5% of U.S. rates. Even in European Common Market area, workers get 20% to 30% of U.S. pay. . . . McCoy's answer: Build plants abroad to overcome wage problem.

PRODUCTS

big newcomer breaks into plastics field

The hotly competitive plastics business is making room for a newcomer. Big Standard Oil (N.J.) is breaking in with polypropylene, now made only by Hercules Powder and Avisun (owned by American Viscose and Sun Oil). Others, including Dow, Eastman Chemical, are expected to join the fray next year. . . . Behind the rush to market polypropylene is its superiority (as viewed by many) to polyethylene in many applications, such as film packaging of foods, soft goods. . . . In the future, look for Jersey Standard to widen its stake in other plastics areas.



CO-OP ADS

FTC hits Macy for pressuring suppliers

Federal Trade Commission struck a telling blow with its recent complaint against R. H. Macy & Co., \$450-million-a-year department store chain. The charge: Macy unlawfully pressured suppliers into contributing more than \$500,000 toward cost of its '58 centennial celebration. To help pay for the promotion, FTC alleges, Macy's New York division asked some 750 suppliers to fork up \$1,000 each. More than two out of three did. . . . FTC adds that this year-long series of special advertising and promotions was "all of an institutional nature and all designed to enhance Macy's position in the community.

"Macy used its vast purchasing power and prestige to force suppliers into making payments," claims FTC. The complaint contends that suppliers are relatively powerless to refuse such demands... Macy will deny guilt; the case will be long. But, this FTC move already makes it a little easier for the marketer to refuse a big buyer's demands for special allowances. (See "Can the FTC Clean up Co-Op?" April 15, page 40.)

MARKETING

28% of ad spending, with 14% of market

The \$600-million cigar business is coming to life again. Much of the activity is being generated by aggressive Bayuk Cigars, maker of the Phillies line. . . . Bayuk, now with 14% of the market, is spending about 28% of the industry's ad dollars—\$7 million of an estimated \$25 million a year. The company's aim: to expand the cigar-smoking base, to capture young smokers for its new-styled, short, slim cigars. . . . Bayuk insists that it isn't out to take business away from the industry leaders, Consolidated Cigar and General Cigar.

ADVERTISING

\$5 million to launch a new product line

Appliance marketers are keeping an eye on Whirlpool's introduction of its '60 line of gas refrigerators. In ad dollars alone, it's said to set records. . . Whirlpool will put some \$1-3/4 million into TV and print advertising. Another \$3-to-\$4 million will be spent by distributors, dealers and gas utilities in local advertising of the 3-model line. Already in the product, Whirlpool boasts, is a \$20-million research investment. If gas is ever to make a real breakthrough in home refrigerators, this may be it.

MISCELLANY

news and ideas of marketing note Because Americans consumed 7-1/2 billion hamburgers last year, Coca-Cola is launching a big "COKE & BURGER" promotion in nine national magazines, outdoor advertising, and P-0-P displays.

. . In urging the Government to Start advertising to attract visitors to U.S., American Association of Advertising Agencies got down to basics: "We need to increase our travel 'sales'; we know that a potential market exists; and we are faced with vigorous competition. In such a situation, any well-managed business would certainly consider use of advertising." . . . Although "typical" super markets today carry 6,000 different items, non-food lines account for an average of only 5% of sales, no increase over '56. Leading non-food items are health and beauty aids, housewares, hosiery, magazines, stationery.





"Noreico Speedshavers, running more advertising pages in Look than in any other magazine in the past seven years, boosted sales by more than 300%... share of market by over 80%," reports Philip C. Weinselmer, Vice-President, Sales, of Noreico.

Norelco, a relative newcomer in the American electric shaver market, has enjoyed phenomenal success in recent years. Since 1953, it has quadrupled its sales.

Norelco makes them...LOOK sells them



It was in 1953, too, when Norelco began putting the bulk of its ad dollars into magazines. Every year since then, Look has carried a multi-page Norelco schedule as big as or bigger than that run in any other magazine. From 1953 through 1959, Look's total Norelco ad page volume exceeded that of the second-most-heavily-used publication by 20%...that of the third by 33%.

Why does LOOK command so important a role in Norelco advertising? "Because LOOK has proved to be highly respected by the trade and most merchandisable," says Vice-President Weinseimer. "It has been a keystone for many of the promotions which are a vital part of the shaver business. And we know LOOK sells shavers. That's why, in 1960, we are again counting on LOOK to do a job for us."

In the past five years, LOOK has gained more circulation and more advertising revenue and more advertising pages than any other magazine in its field. One reason for this unmatched growth is LOOK's outstanding record in producing sales results. For LOOK means sales.



60 Sales Management June 3, 1960

DYNAMARKETER

Clark Pushes Up in Four Fields At \$208-Million Sales Clip

By LAWRENCE M. HUGHES
Senior Editor

George Spatta has made Clark Equipment Co. of Buchanan, Mich., count in four industries — by pushing around a lot of large competitors. In addition to its original automotive components, Clark's lift trucks, truck trailers and road-and-construction machinery helped to pound out a record \$208-million sales in 1959.

George Spatta also has a special way of pushing his own people. His motto is simple: "Know your job; work hard at it, and get along with people." He gives himself "good marks in all three."

Publicly, he calls Clark's key men (many of them stolen) "highly competent as professionals and managers. It is a pleasure to see these gentlemen dedicated to their work and operating at a high tempo under constant pressure."

▶ But the monthly meetings presided over by this 190pound, 6-foot, 66-year-old child of Hell's Kitchen, Manhattan, are not unmitigated joy. "I want," says Spatta, "a helluva lot of noise. Sure we deliberate. They talk back to me. We reach a composite decision."

The decision may not necessarily be what Clark's president already had in mind. But the managers had better know their facts, and prove their progress. Spatta admits that the meetings are "blood-bath sessions.

"We used to meet weekly," he explains. "But that wasted three valuable days a month." Clark Equipment has no committees. (Spatta calls committees "bunk.") Individuals act, and individuals are held accountable.

"I've got to be tough with them. We're in four of the toughest businesses in the world, against some really rough rivals. We pay ten of our managers \$100,000 a year. My job is to see that they earn it."

For his own efforts as president, since 1945, of this 57-year-old company, George Spatta now draws a \$120,000 salary plus a \$150,000 bonus. Personally, he owns only about 1% of Clark's \$63-million assets. Day-and-night devotion to the corporate cause have left him little time for spending.

About half his working time is now spent in the Chicago regional office in the Prudential Building. The rest may be divided between corporate headquarters in Buchanan and other plants in Michigan, Indiana, Ontario, Reading, Pa., and Spokane, Wash.

Meanwhile, 13 overseas affiliates in Australia, Japan,

South America and Western Europe now produce and sell the same Clark-designed and -labeled road machinery and lift trucks that are toting materials here.

In projecting \$300-million corporate volume by 1962, Spatta does not include the booming overseas business. In the U.S. he expects that "capital goods will grow faster than the rest of the economy. And Western Europe will grow faster than the U.S.: They have good labor with high productivity, turning out quality products at lower cost."

At odd moments he finds time to read history, economics, science and philosophy.

Of Swiss descent, the son of a musician-composer, George Spatta will say of his early life only that he was "a poor kid." Probably, he was also a bright one. He is proud of having been graduated from Manhattan's Cooper Union, a college that will take poor youngsters of sufficient brains and application.

In all his business life he says that "I've held only two jobs." Actually, he has had only two employers. With General Electric he was a production engineer in Schenectady and then a manufacturing superintendent in Baltimore. In 1927 he moved to Clark, then primarily a maker of power packages (axles, transmissions, gears) for trucks, buses and farm machines.

▶ Step by step he moved up. By 1942 he was general manager. But Clark Equipment's own trend had been rising and falling with the motor-making roller coaster. In 1939 the \$12.4-million sales and \$1.1-million profits still were below the 1929 records, and in five years of the early '20's and '30's the company ran in the red.

Spatta expanded and diversified. He sought stability on a succession of "plateaus." But though the new fork-lift business in World War II helped to lift total sales to \$77 million by 1943, Clark was only doing half as well, at \$38.2 million, by 1946. With the Korean war, the 1950 volume of \$63.7 million doubled to \$124.8 million by 1952.

Thereafter the drops were less breath-taking, and from 1956 to 1958 the plateau held firm above \$140 million.

Big companies were buying their way into the roadmachinery business. General Motors picked up Euclid. Westinghouse Air Brake got Le Tourneau; and Interna-

Greensboro --

GREEN THUMB OF THE NEW SOUTH'S MARKETS!



Sales grow bigger and faster in the Greensboro metropolitan market - where retail sales have increased a hundred million dollars in just four short years. Schedule your advertising in the only medium with dominant coverage in this market and selling influence in over half of North Carolina.

Greensboro News and Record

Represented by Jann & Kelley, Inc.



. you'll enjoy stopping at Chicago's

Tomorrow's Hotel Today

CHICAGO'S Executive House, a new ultra-modern 40-story skyscraper with drive-in garage, ideally located on the edge of the famous Loop, introduces many innovations - including private sun terraces - the last word in luxury hotel living.



Write for colorful brochure

Dept. S, 71 E. Wacker Dr., Chicago 1, III. . FI 6-7100 A. M. Queries, General Manager

GEORGE SPATTA (continued)

DYNAMARKETER

tional Harvester, the Frank G. Hough Co. But with its power packages as a basis, Clark Equipment started from scratch in 1953. In six years the company has moved to fourth or fifth in sales-after Caterpillar, Harvester and Allis-Chalmers, and possibly Euclid. Clark's volume: \$62 million.

Spatta courted more trouble by buying Brown Trailer. Among 200 factors in this industry, Fruehauf leads with 40% of the total, followed by Trailmobile, 20%. But in two years Brown's sales have climbed from \$13 million to \$22 million, to rank third in trailers.

In lift trucks-against such rivals as Yale & Towne, Towmotor, Hyster. Allis-Chalmers and Otis Elevator -Clark's \$80 million represents more than 30% of the industry's total.
"All of our divisions," says Spatta,

"are in fast-growth industries."

He walks to the window and looks out over the city and the lake and the big, broad land beyond: "See that? It's big. This economy is fantastic. Nobody's really entrenched in any business. You can bull into any one of them by sheer assault. Get the product and get the people and sell like hell."

► In the 1958 hard-goods recessiondespite a sharp early-year nose dive-Spatta's hell-for-leather selling held the year's volume to within 1% of that of 1957. And then in 1959-despite the long steel strike - Clark pushed sales 46% ahead of 1958's.

"Of this \$208-million total," he emphasizes, "we created all but \$10 million [the Brown acquisition]. Forty percent of it was in products that weren't even born in 1953."

He admits that Clark has not vet licked the cycle problem: "We'll never be depression-proof."

But whatever happens to the economy, he intends to get his share. Now 4% of its industry, Brown is shooting for 10%. In a decade the total trucktrailer business should double to \$800 million. "Road machines, now a \$2billion industry, will grow with trucks (we're in them, too) and the interstate highway program. Lifts will expand with the whole capital-goods part of the economy.'

In its annual "performance" issue, last January 1, Forbes ranked Clark management highest among 13 major companies in capital goods. Its 95 rating nosed out Caterpillar, Crane, Ingersoll-Rand, Otis Elevator and

Blaw-Knox, each of which scored 90.

To Spatta "selling is still an enigma. Other functions - accounting, engineering, manufacturing-can be made exact. But in selling you have to guess about people and their prejudices. . . . There's a lot of horse-manure in it."

Spatta has 30 patents in his own name. Though in the last three years he has been otherwise occupied, he says, "I still midwife new products." The company's scores of items, in 31 different product groups, range in price from \$1,500 to \$95,000. They are bought, in this country, by 4,000 customers.

"The only job I never stole a man for," says Spatta, "is the presidency." When the new Construction Machinery Division found dealers sewed up by rivals, Spatta would persuade the best salesmen to set up on their own, with Clark's backing.

Spatta will stand for no nepotism. He has three sons-two of whom followed him into engineering. But none of the three works for Clark.

➤ Within a year President Spatta expects to name his successor. Leading candidates are said to be vice presidents Clarence E. Killebrew, general manager of Construction Machinery; W. E. Schirmer, who runs Clark In-ternational, and John R. Wood, Jr. Continuing as v-p for finance, Wood now manages Clark Trailer as well.

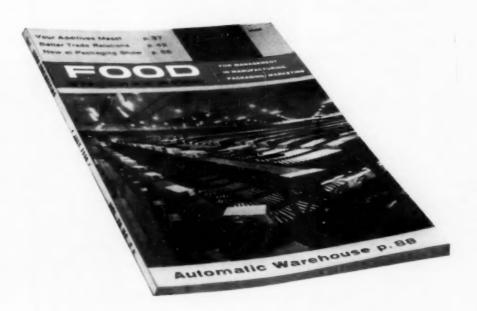
Sales manager of the former Frank G. Hough Co., Killebrew was the original employee of the Construction Machinery Division, hired in December 1952. Schirmer has been a Clark officer for more than a decade. Wood joined, as treasurer, in 1953. The other division managers are Bert E. Phillips, for Industrial Trucks, and

Charles H. King, Automotive.

Spatta confides: "I'll be around after the new president is chosen."

Clark's new head will be a working president. Spatta can become sulfuric in referring to the "too many stuffed shirts" who are trying to run large corporations. (Some non-stuffed: GE's Ralph Cordiner, John Virden of Eaton Manufacturing, GM's Alfred P. Sloan, Jr.) He can also be pleased to note the extent to which the operations of large rivals are "gummed up by red tape.

And Spatta's successor must be persuasive: "We have good men in engineering and production ten deep. But to step up volume 50% more by 1962, we've got to sell, sell, sell." ♦



Why did we buy it?

Why, we bought it for you, of course!

As you may have heard, Chilton is the new publisher of FOOD Engineering. Since you have advertising dollars invested in this publication, or have counselled others to do so, or may even now be contemplating such a worthy investment, we feel we owe you an explanation.

Why did we buy FOOD Engineering? We really bought it for you. And that's a good, hardheaded, selfish reason. Because if it's good for you, it's good for Chilton...

- FOOD Engineering is, and has been for some years, the leading publication in its field.
- 2. It has always been published and edited to the highest standards, and we are proud to have it a Chilton publication.
- 3. It covers a field which is basic, huge and certain to grow even larger.
- 4. It is completely non-competitive with any other Chilton publication.
- The Publisher, Editor, and other key members of the staff are coming with it, and will be welcome additions to the Chilton staff.
- It fits perfectly into our whole picture, and is a logical step in our expansion program.

P.S. Everything's been going so smoothly in this transaction, we almost forgot to tell you that we begin (or continue?) publishing FOOD Engineering with the July issue. As of June 1, please mail all plates, copy, orders, communiques to FOOD Engineering, A Chilton Publication, Chestnut & 56th Sts., Philadelphia 39, Pa.

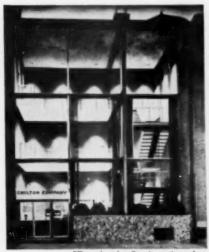
If it's good for you, it's good for Chilton



It keeps you in step with changing



Food management men read it, prefer it



FE's new front door. Come in, any time, and get orquainted with Chilton's people.



"Bud" Riddell talk FE's bright future

Chilton

COMPANY Chestnut and 56th Streets Philadelphia 39, Pennsylvania

Aircraft & Missiles - Automotive Industries - Boot & Shoe Recorder - Butane-Propane News - Commercial Car Journal - Department Store Economist - Distribution Age - Electronic Industries - Food Engineering - Gas - Hardware Age - Hardware World - The Iron Age - Jewelers' Keystone-Circular - Motor Age - Optical Journal - Product Design & Development - The Speciator - Chilton Research Services - Business, Technical and Educational Books

LEADER IN ITS FIELD... 32-year pioneer all-food industry publication...consistent winner all reader preference studies. Look for Chilton's modern circulation practices to build quality on quality. You want leading publications. So do we.

FIGHEST EDITORIAL STANDARDS...
FOOD Engineering has led the way for better management methods, improved production and engineering techniques, packaging-at-aprofit and, more recently, marketing as it affects the job of every food plant manager. McGraw-Hill's editorial standards are as impeccable as Chilton's. Nothing less is good enough for the reader, nor for you.

HUGE, BASIC, GROWING MARKET...
Ask your wife. The nation's food bill last year
passed \$70 billion (\$54.7 billion at mfg. level).
1960 outlook . . . sales up 5.5%, profits up
7.5%, new plant and capital spending up 6%.
Over 42,000 (U.S. Census) plants, an estimated
100,000 food company units. Watch Chilton's
M-A-P (Marketing Assistance Program) grab
hold of this field's vital statistics for you . . .
to nail down the biggest-spending units, the
buying power of the FE audience, product by
product . . . to plan ahead with you.

COMPLETELY NON-COMPETITIVE...
Today Chilton's 17 topflight publications deliver diversified, consequential markets, serve reading and buying interests ranging from automotive parts to zoomar lenses. Alphabetically, FOOD Engineering tucks in nicely right between Electronic Industries and Gas. Industrially, it means Chilton moves into another major market for you with its sights set to give you a medium of the stature of The Iron Age or Automotive Industries in their respective fields. It broadens our scope, enhances our editorial "intelligence", enlivens inter-company exchange of publishing ideas. It couldn't be more compatible — for you or for us.

KEY STAFF UNCHANGED... Grahame Riddell, present FOOD Engineering publisher, leads the parade to 56th and Chestnut, along with Editor Frank Lawler, who is already planning improvements and refinements in content. FE's reporter-writer specialists in technical-engineering, production, packaging, marketing, as well as other folks you like to do business with... they're aboard. What a superior staff we have to build on!

ANOTHER "RIGHT STEP" FORWARD ... For the past 5 years, as you know, Chilton has pursued a forward-looking development program, marked by the addition or creation of such excellent publications as Aircraft & Missiles, Butane-Propane News, Electronic Industries, Product Design & Development, as well as the expansion of facilities of its established properties. This is reflected in the vastly increased number of readers we now serve, in new and welcome editorial responsibilities, in expanding, enlightened research operations, and in helping you take your goods to market at better profit. And, significantly, in our corporate good health. We want you to feel, as we do, that FOOD Engineering couldn't be in better hands.



Put your best foot forward. That's the way to enter a big, prosperous market like Canada.

It demands the power of a big Canadian magazine; and Weekend Magazine with its French language edition, Perspectives, is the biggest single selling force in Canada.

Weekend Magazine/Perspectives' circulation of 1,850,000* reaches the people in four out of ten of all the homes across the country, every week... over three-quarters of a million more homes than can be reached by any other magazine.

This offers exceptional coverage. For example, the coverage of Weekend Magazine/Perspectives in Canada is greater than *three* times the coverage of The Saturday Evening Post in the United

States. Good reason why alert advertisers, last year, invested twice as many dollars in Weekend Magazine/Perspectives than in any other magazine in Canada.

As the weekend rotogravure magazine section of 35 leading newspapers it reaches the active buyers of Canada—people of all ages and income groups with a thousand daily needs and the means to satisfy them.

To sell Canada, make no little plans. Put the selling power of Weekend Magazine and its French language edition Perspectives to work for you, now.

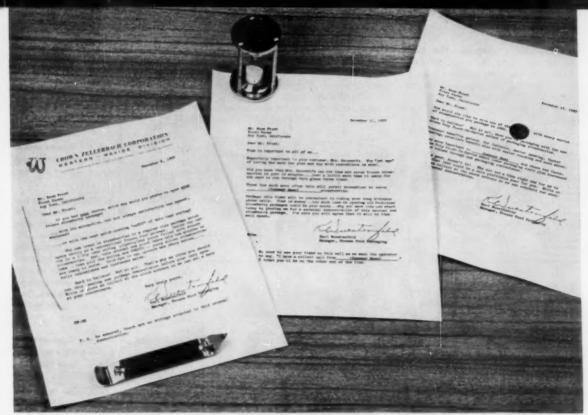
(*Effective September 10th)

Represented in the United States by O'Mara & Ormsbee Inc.

—New York, Chicago, Detroit, San Francisco, Los Angeles.

The biggest single selling force in Canada





EXECUTIVE EYE-CATCHERS drew attention to specific advantages of Western-Waxide's new cord-opener polyethy-

lene bug for frozen foods. Requesting collect calls for product demonstrations, mailings drew big response from VIP's.

Direct Mail That Got Execs to Move

A penny, an hourglass, and a can opener helped Western-Waxide get an amazing 40% return on direct mail that invited presidents, vice presidents, managers to call for a salesman.

Here's a company that got 40% of the executives it mailed to to pick up a phone and request a sales call. This startling activity was achieved by Western-Waxide Division of Crown Zellerbach Corp. in response to a novel, 4-phase direct mail campaign which went out to 320 top prospects. Further communication drew 120 of these prospective customers to a new-product demonstration.

All this for \$2,000.

Subject of Western-Waxide's campaign was a polyethylene bag with cord-opener, packed in a conventional frozen food carton. Designed as a package for frozen berries, it competes with a commonly used metalend, fiber canister.

Three of the four letters were used to hammer at a specific advantage of the new product, while the last one emphasized its over-all desirability. Each of the first three had a special, eye-catching object enclosed in the cardboard tube that served as an envelope.

The first letter stressed the convenience of opening the new "pouch-in-carton." Taped to the bottom of the letter was a can opener, symbolizing the greater effort involved in using the fiber container. Also attached to the letter was a length of

string, which is pulled to open the new pouch.

The second letter was sent three days later and emphasized the fact that the contents of the new package could be thawed in nine minutes, compared with 40-45 minutes for the old one. A 3-minute hourglass was included in the mailing to underscore the appeal of the time-saving feature to the consumer.

The third letter, sent after another three days, pointed up the fact that the new container cost almost a cent less than the old one. It included, as its special feature, a new penny.

The last letter, which arrived four days later, contained a product development bulletin, outlining the overall significance of the new idea to the packer. It included complete technical details, data on equipment needs, plus a comparison with the other package. It stressed such factors as space saving, since the other container had to be shipped in already fabricated form.

Since this 4-time mailing had one aim - to set up demonstrations by

Western-Waxide salesmen – the first three letters asked for a collect call or wire. In the last mailing, a card was included on which packers might note their interest and ask for a salesman to call with a complete packaging plan.

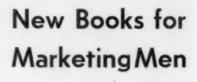
The mailing was directed at the major strawberry packers in the U. S. and Canada — 320 of them, located mostly on the West Coast — accounting for almost 100% of total production. The prime targets were presidents, vice presidents and plant managers.

To reinforce the salesmen's efforts,

the company decided to set up an actual production line demonstration. On the week end preceding the Frozen Food Packers' convention, Western-Waxide opened its display. Telegrams were sent to all executives who had responded to the direct mail, inviting them to attend.

"We expected 60 people during the two days," says Karl Wuestenfeld, manager of frozen food packaging. "We had 120, and several returned on the second day."

The entire product introduction campaign cost about \$8,000 with 25% going for direct mail. ◆



Listen, Mr. President. By George Black. Published by Chilton Co., 56th and Chestnut Sts., Philadelphia 39, Pa. Price: \$5.00.

Author Black is manager, advertising and publicity, Sprout, Waldron & Co., Inc., Muncy, Pa. He says this book—"a series of monologues on advertising, publicity and the promotion of industrial products"—was fathered during his term as president of the Industrial Marketers of New Jersey. It's written with wit and verve, but with a serious undertone that's necessary to cover a vital subject.

Training and Supervising Salesmen. By Charles L. Lapp. Published by Prentice-Hall, Inc., 70 Fifth Ave., New York 11, N. Y. Price: \$5.95.

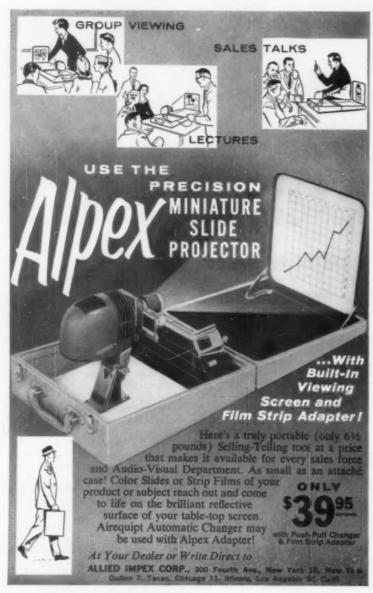
Al N. Seares, president, National Sales Executives, calls this book "a superb treatise on the prime problems of sales management. . . . Every sales executive, anxious to improve his own proficiency as a more communicative motivator, can use these proven supervisory ideas."

1960 Plant Location. Published by Simmons-Boardman Publishing Corp., 30 Church St., New York 7, N. Y. Price: \$15.00.

Anything you need to know about plant location is here: maps and cities, personal income, labor and manufacturing, industrial development, taxes and labor laws, raw materials, etc. It is an annual study, gathered on a cyclical basis from Federal Government sources.

How to Sell Appliances at Retail. By Patrick Monaghan. Published by Fairchild Publications, Inc., 13th St. at Fifth Ave., New York, N. Y. Price: \$7.50.

Patrick Monaghan heads a public relations and merchandising consultant business in New York, specializes in merchandising and publicity planning for consumer and industrial goods. His book is a primer for selling in the retail field, aimed at the manor woman—who wants a career in merchandising. He evaluates a retail selling job, gives helpful advice on how to project a store image, sell by telephone, overcome consumer resistance. The foreward was written by SM's editor and publisher, Philip Salisbury.





Add brilliant printability to the clarity, toughness and other well-known advantages of polyethylene film, and you have a packaging material that can be a powerful merchandising tool for your products. Polyethylene film can be economically printed with clear, bright colors at high speeds and with sharp registration and good ink adhesion. Packages can be formed on automatic equipment—sealed by heat-sealing or with adhesives.

Opens New Packaging Film Markets

Package designs that combine sparkling, multi-color printing with polyethylene film's clarity open up new packaging and merchandising opportunities for you. Printed film is now being used for dry-cleaning garment bags, produce packaging, soft goods overwrap, dairy and meat packaging, laundered shirt packaging, and many special purpose applications where visibility, eye-catching color, and protection can be combined in a single package to give the product maximum sales appeal.

When you investigate the merchandising possibilities of printed polycthylene film for your packaging needs, ask your supplier about the special advantages of film made from U.S.I. PETROTHENE® polyethylene resins. In addition to excellent printability, these films offer greater clarity at a given strength (or greater strength with no loss in clarity). PETROTHENE-made films are available in a wide range of thicknesses, with a combination of special properties to meet your every packaging need. Your supplier will be happy to advise you about them.



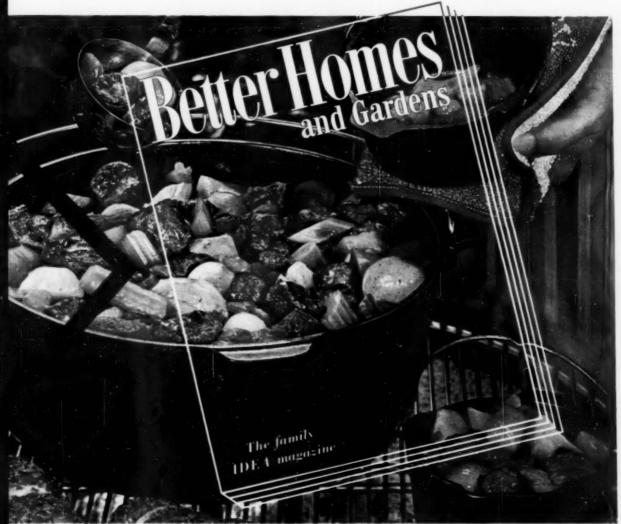
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Every month, nearly sixteen million men and wo-

men look to Better Homes and Gardens for ideas about how to live better. During the year, a third of America—the family-centered, top-spending third—turns to BH&G for ideas they can turn into action. That's why it's such a productive place to advertise the innumerable products an idea-hungry family can use! Meredith of Des Moines . . . America's biggest publisher of ideas for today's living and tomorrow's plans

where America shops for ideas that make sales

"Sure,
we're on the
approved list...
so is our
competition!"

Industrial salesmen know that product approval doesn't necessarily result in production orders...

That's because it's the purchasing department that decides who gets what share of the volume business. You stand the best chance of increasing your share of a company's OEM business when you advertise to both design engineers and purchasing agents—and when you keep these two advertising objectives in balance!

PURCHASING MAGAZINE

A CONOVER-MAST PUBLICATION

the methods and news magazine for industrial buyers 205 East 42nd Street, New York 17, New York





THE SCRATCH PAD



BY T. HARRY THOMPSON

The date reminds me that words can be fun. Like saying that no June bride wants a jejune honeymoon.

Audubon Society: Strictly for the you-know-what.

Old-timer: One who can remember penny postal cards.

In a manner of speaking, air conditioning is what old-timers called "cold comfort."

A restaurant in Salisbury, Md., advertises Salisbury steaks. Why not?

A cartographer ought to feel at home in Mappsville, Va.

Vitamins, you might say, are sold on their faith value.

Gag writer Jack Douglas has come up with another dilly for a book title: "Never Trust a Naked Bus Driver."

Matching a Horace Williams item here about a barber saying: "I need your head in my business," Don Raihle cites a Minneapolis beauty shoppe which says: "We can't get ahead without yours." Ah, creative genius!

Scriptural formula for success: Matthew 6:33.

Unemployment insurance is nice work if you can't get it, or whatever I mean.

We never print plays-on-words, but you've doubtless read that the Chevrolet is fun-tastic, anyhow.

Uncle Sam has such endearing ways. Witness this or-else enclosure addressed "to all taxpayers" by the Commissioner of Internal Revenue: "Interest and dividends, whether paid to you or credited to your account, must be included in your U.S. income tax return. Accuracy in reporting such amounts, even if small, will benefit both the recipient and the Government and will avoid expensive

enforcement action that might otherwise be necessary."

With the small fry, the present is the past about five minutes after it's unwrapped.

A Social Security regulation says, after you're 72, you can earn more than the maximal \$1,200 a year and still receive SS benefits. But it doesn't

tell the old boys where they can earn it.

Chicago agencyman Leo Bott had a nice couplet commenting on Monstrous March: "March came in like a lion, et cetera. But the less we say about that, the bettera."

You'll know the make when I tell you that our landlord gave us all a nice, new refriGErator this morning.

To get their little classified ads nearer top of column, a few advertisers now use the prefix "advanced," an advantage in alphabetical listing. Examples: "Advanced Computing," "Advanced Development," "Advanced Electronics." However, the more the advertisers who use this stratagem, the more the little ads get pushed down the line. But it's a good try.

The Varnishing American

If money were no object and I had the strength of ten, I think I would become The Varnishing American. I have the pot, and I know someone would give me the brush.

Which reminds me — a century or so ago, I said: "Brush off Father Time with Felton, Sibley Paints." And to Martin-Senour dealers, I said: "Don't be caught with your paints down."

Have you ridden the rails between Baltimore and New York? Or Chicago and Peoria? Then you must have wondered why properties are allowed to go so long without paint.

Plants along the right of way often look as under-privileged as houses, hotels, and railway stations. Nor is appearance paint's only mission. Painters have a full-time job on ships at sea to protect property from weather.

I seem to remember someone telling me that painters never get through on the Eiffel Tower, either. When the last daub has been applied to the top, the ground floor is ready for a repaint. Or gets it, anyhow.

For the record, I own no stock in Felton, Sibley or Martin-Senour or any other strictly paint concern. But I do see all around me places that seem to be crying for paint and renovation as a simple, sound business investment.

Maintenance is part of whole-sell marketing, the same as neat letterheads or trim trucks. And no ingredient of maintenance puts up a better front than paint. Let's look the part of success when prospects pass by our offices and plants.

T.H.T.

THE 10 BIGGEST MISTAKES EXECUTIVES MAKE

Failure to Develop People

By DON H. SCOTT Don Scott Associates

There are many \$50,000-a-year jobs open today. There are many more people who would love to have jobs making \$50,000 a year. This sounds like a simple enough question of matchmaking: Why not get the people who want to be in this bracket and fill the jobs?

There is only one reason why not—the people who want the jobs don't know how to do them. Furthermore, most of these people never will know how to do them. More unfortunate, however, is that many equally unqualified people are now holding down \$50,000-a-year jobs. And many of the companies that are searching so desperately to fill the top spots still lack the foresight to develop people to fill them next time around.

It is easy to see how for the higher brackets a lack of personnel to do the developing could make the problem a difficult one. But what about the smaller jobs—at \$10,000 and even under? Surely there are people in the organization who know enough about these jobs to have developed someone long before the emergency presented itself. And what about people in these middle-level jobs who are not doing them well?

➤ When an employee fails to perform to standard, there can be only two reasons: One, he doesn't know the job, or, two, something interferes with his desire to do the job. The first often leads to the second.

Look at Ray Norton for example. Ray is sales manager for a middle-size firm. His boss would give anything if Ray would resign, because he just isn't doing the job as it should be done. Ray spends too much time calling on customers—doing the job of the salesmen. His reports are never clear, to the confusion of the production department. His forecasting is inadequate and good company planning suffers because of it. He is always giving discounts when good selling would get the job done and bring in the full profit. His letter writing is terrible and the salesmen secretly laugh at his grammar and lack of vocabulary.

But, Ray works very hard. He's first in and last out. His customers like him. He's loyal to the company and firmly believes he is the best sales manager alive. How could you let this man out? Here's the sad part of the story: Ray is doing the job as he has always seen it. He's doing it as the first boss he ever had would have done it. He doesn't know any better. The man who runs the company now measures him by a standard which Ray can't begin to understand because he doesn't know it exists.

Like so many of us, Ray needs help badly. He is way off course for the job he's doing and if he is ever going to be put back on course a lot of understanding and patience will be needed. The tragedy of the case is that most men who sit over people like Ray feel there just

isn't time to devote to his development at this stage. Or, more likely, they don't have the ability to do the job of straightening him out. Ray, therefore, will take an awful beating because he has always been too busy doing the job and has not spent eriough time learning more about it. And no one above him gave him better guidance.

Most companies have at least one Ray. Some companies are full of them. The latter usually fall by the way-side when competition gets rough. Many of our large and heretofore successful companies are waking up to find that product alone is ro longer enough with which to compete. You can only maintain a competitive advantage with well-trained, competent personnel.

The days of men like Ray are passing fast. Professional managers are becoming the standard in business, but it is a lengthy process – lengthy because there are not yet enough good teachers in management. A good teacher is the manager well grounded in fundamentals and principles of management, with considerable practical experience at using them to run a successful company. But this is not all. He must be able to put his background into words, pictures or actions that others can understand. He must be able to stimulate and convince people. Quite a boy, isn't he? There aren't many like him around yet but they are coming along faster than ever.

▶ Incidentally, if you think you can learn fundamentals and principles from experience alone, you can't. If you think attending one seminar on a specific management subject qualifies you to understand and fit that subject into your job, it doesn't. In all of the fundamentals and principles of management, not one stands by itself. Each is closely interlocked and dependent upon the next. It's as obvious as the case of the fender maker in the auto plant: He probably knows all about making fenders but he can't assemble the car.

For example, many managers fancy themselves quite adequate in the area of human relations but are frank to admit they don't plan very well. Yet, you can't expect good human relations until people are sure of what is expected of them and until they can measure their performance; and planning is where measurements are set up. Furthermore, all performance in a company is proportionate to that company's communication. No matter how well conceived your plan, if you can't communicate it to others it won't be put into effect.

An organization, to be really well run, needs many things. It needs good planning which spells out objectives and which specifically outlines the paths to the objectives. All the activities spelled out in the plan should have built-in measurements and control procedures.

There should be 4-way communication (from manager



down, from employee up, from within the company to the public and from the public back in). Information received by management must be examined for its value and, if necessary, used as a basis for revising plans to keep a company competitive and up to date.

keep a company competitive and up to date.

Human relations programs should be designed to get maximum performance from personnel. And, of course, there are other aspects to consider (many of which are covered in more detail in other articles of this series), but one thing is clear: Plans, ideas, jobs and even human relations must be taught to people.

If a manager can't teach, he can't develop others; and if he can't develop, he is neglecting one of the manager's major responsibilities. Most managers teach all the time, others claim they don't have the time to teach. Let's look at the time factor.

Everything a manager does during the day can be classified in one of four catagories:

- Routine and detail. Some call this the "chores" reading mail, signing papers, etc.
- Special. You know it's coming and can plan it. Includes such things as reports, looking for a new site for the office, meetings, etc.
 - 3. Emergency. Here it is! Now what?
- 4. Creative. Want to grow? Then get more of this kind of time. Here you do original planning, teaching, development. Your company will never get any bigger if someone doesn't arrange creative time.

There is a way to get more creative time. Simply delegate as much of the other responsibilities as you can. But you can't delegate until you teach someone down the line how to do the job you are delegating. From the foregoing paragraphs you may have concluded that teaching is beyond the ability of ordinary men and therefore there is no point in trying it. Actually, teachers are made, not born, and there is a simple process which has been around for years and which, when followed, will pretty well assure that your subject has learned whatever it is that you are teaching.

It's a 4-step method:

- I. Prepare the learner
- II. Present the material
- III. Practice-apply the learning
- IV. Follow up-check results

Prior to taking these steps, the instructor should have accomplished the following:

- . . . Developed skill in instruction.
- . . . Made certain that adequate instructional aids and facilities were available.

- . . . Reviewed the goals to be attained.
- . . . Developed the proper frame of mind.

Analyze, briefly, each of the four basic steps in the teaching process:

Step I. Prepare the learner.

Put him at ease.

Explain the purpose or objectives of the task to be learned.

Find out what he already knows about the subject.

Develop his personal interest in it.

Place learner in correct learning position.

Step II. Present the material or task.

Break down the task or material into basic elements, phases, or steps.

Present one segment or step at a time, being certain to use simple and clear terms.

Give the learner no more than he can absorb and master at one time.

Stress "key points" and "tricks of the trade" as the presentation proceeds.

Use telling and showing together.

Step III. Practice-let the learner try.

Have the learner perform the task.

Correct his mistakes and errors as they occur by telling and showing him again.

Have him repeat the task and have him explain each of the steps and indicate "key points."

Make sure that he understands "why" he is doing the task as he is being taught.

Have him continue to practice until you are sure he can do it.

Step IV. Follow up-check results.

Put him on his own and tell him where he can receive help if he needs it.

(continued on next page)

NEXT ISSUE

Mistake No. 8

"Keeping the Staff in the Dark"



TULSA'S new \$35,000,000.00 AIR TERMINAL

This new project will not only mean greater payrolls and construction, but puts Tulsa ahead of most mid-western cities for the jet age. For real response to your advertising, select bustling, vital TULSA, one of the TOP FIFTY markets in the U.S.! Remember, you're not "in" Oklahome, unless you're in Tulsa.

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Check frequently on his performance.

Check and review his understanding of the task or job; repeat any or all of the instruction if necessary.

There is little doubt but that any intelligent businessman will recognize that the most dependable method of instruction comes from applying a logical system of thinking to the problems of how to instruct. As such, it represents nothing new. However, the use of it will represent something new to the manager who has been trusting to luck and has been content to struggle along with ill-trained personnel. To such managers, the following idea is presented: If you train 'em you don't have to blame 'em.

If you think the above process is too lengthy to bother with, just remember that most of the mistakes and costly errors in your company are made because someone wasn't trained. If you give an employee a simple job to do and he's back with it in a few minutes asking questions, chances are, you didn't follow the method.

▶ Another thing, people learn two ways—by doing and from people. From people we get theory, examples and ideas. By doing, we acquire disciplines, ease, speed and assurance. To do most jobs well, we need both; so be a little patient. I have used the simplest of tricks for years to show executives that what is easy for the doer is not always so easy for the learner. Try, for example, to teach someone a sleight-of-hand card trick. Unless you follow the method outlined above, it may take a long time.

Most people want to know but are afraid of the learning process. Whether it's fear of embarrassment or dread of the work involved in learning, they often shy away from it. Do what you can to make it easy and pleasant for them to learn, because once they have the knowledge they will be proud of it. Then you will have time to be creative.

Reprints Available

Reprints of each of these articles on "The 10 Biggest Mistakes Executives Make" will be available shortly after they appear. Price: 20 cents. Write to: Readers' Service Bureau, Sales Management, 630 Third Ave., New York 17, N. Y. Enclose remittance.

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These problems demand increased sales effort throughout the year.

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Incentive programs offering merchandise and travel awards are often thought of only as short range activities... designed to motivate salesmen to work harder during specific periods of the year.

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Sales Management June 3, 1960



THE YOUNG MARRIEDS

Your buyers—our readers

As their families, incomes and desires grow, young marrieds buy more and more and more. They're your best customers. And more of them read TV GUIDE than any other magazine! More young married women read it than Ladies' Home Journal, McCall's, Good Housekeeping (Starch 1960)

Consumer Magazine Report). RCA Victor, Plymouth, Tampax, Noxzema, Dinner-Redy and Nabisco are among the major advertisers who are turning this fact to their profit.



Best-selling weekly magazine in America . . . circulation over 7,250,000

78

Suppliers Ask: Who's Next? Where?

By ELSA GIDLOW

SM calls this special report on the California squabble hetween retail grocery clerks and suppliers to the attention of all marketers who have added or anticipate adding their products to the growing lines on super market shelves. The San Francisco Clerks' movement is the most active—so far—but the ferment may well spread to other sreas.

Miss Gidlow, our reporter, is an expert of some 25 years' experience on the California scene. Among her contacts for this report were key union people, retailers and suppliers.

The super market grows toward the general store more and more each day. In fact, as more and more lines of merchandise are crossed, from the classic drugs and health and beauty aids to television sets and soft goods, the super market becomes more like a one-stop shopping center than the general store ever was. Suppliers of these many and growing non-foods lines are just beginning to feel the effects of entering a new kind of retail outlet—they're running smack into union trouble.

So far the dispute has centered on service suppliers (in foods as well as non-foods) who, in some cases, are being prevented from stocking shelves. The Retail Clerks' International Assn., which has felt its future threatened by this "outside" shelf stocking, has been taking steps to stop it in its tracks. They want none of it. Allowing for a few exceptions, they feel that clerks employed by a merchant should stock that merchant's shelves. The question of who has jurisdiction over the setting up of displays also is raised. Demonstrations are involved.

The matter has had little airing so

far outside of the trades immediately involved. But it's hot and likely to get hotter. With self-service expanding into more and more kinds of retail businesses and growing in scope, with manufacturers and suppliers generally taking greater interest in how their merchandise is being handled, displayed, promoted and sold at the point-of-purchase, and with the role of the retail clerk growing less important, it's no longer of academic interest just how commodities are to get onto shelves or out on the sales floor. No matter what a manufacturer or his distributor sells to a super market, he may find himself affected by the development in question.

The situation is complicated. But one thing is clear. If the union prevails with its contention that, allowing for the exceptions, only clerks employed in a store—or members of the union under certain conditions—have the right to handle merchandise sold in that store, then manufacturers and suppliers in general may have rights they have assumed to be theirs either abridged or taken away. Southern California is the hot spot in the controversy, but precedents established

there will have influence throughout the U.S. and Canada. The super market field is primarily affected at present; but there is no reason to assume that agreements or court decisions on the matter will be confined to that area of business.

The Background

Historically, there is nothing new about unionized retail clerks' objecting to shelf stocking or display work being handled by "outsiders." Dub-bing manufacturers' or jobbers' salesmen "free help," they have fought their introduction into retail store stocking and display activities with greater or less energy at least since 1937. Long before that, in northern California at least, there was an understanding that merchants would not ask for or receive free help. Only the grocery clerks have been able to bring pressure to bear against this so-called free help, because they alone have been sufficiently well organized. The union has always recognized, in the words of Claude Jinkerson, secretary of Grocery Clerks local 648 in San Francisco, "that a commission driversalesman could service store shelves or racks from trucks at point of delivery." But this is as much as they have been inclined to allow. Traditionally, this has applied to bakery wagon drivers, those bringing in potato chips, milk and similar perishables where stock rotation was indicated. When the rack jobbers' men started stocking shelves, it was another thing again.

When Jinkerson's union stopped Rawson rack representatives from stocking shelves with drug sundries in grocery outlets, Rawson Drug Co. approached the union to talk things over. That was in 1947. The union explained to Rawson what its stand had always been and asked that he observe prevailing industry practice and order his book-salesmen to "cease

stocking shelves in grocery stores." It was emphasized that "the job of stocking shelves had been recognized since 1937 [date of the first industrywide contract] as clerks' work," to

quote Jinkerson.

A little later, the men who made these deliveries were organized by the Retail Delivery Drivers' local, affiliated with the Teamsters. Although still supposed to make only drop shipments and let store clerks do the shelf stocking, gradually, they began doing shelf stocking and display work, much as driver-salesmen had long done. This situation went on for years, more or less ignored by the Clerks. Jinkerson has no hesitation in admitting: "We made a mistake in not recognizing at the start that this [supplier service] was a new approach to merchandising.

"We, as a local union, through an error, judged the Rawson driver to be a 'driver-salesman' and allowed him to stock the racks. Rawson drivers are not driver-salesmen; they are delivery drivers. Presently we are living with that mistake of judgment but hoping that it will be corrected by merchandising changes or through negotiations."

The rack jobber type of service, in its present form, actually originated in southern California. But even when jurisdiction over stocking and display became an issue, the Clerks in the southland were not interested in organizing the suppliers' shelf stockers. It was left up to the Teamsters, who eventually took in the drivers and any number of shelf stockers as well.

The trouble was, it was learned, that many if not most of these latter traveled by private car to the points of work activity. When the International recognized once again that a mistake had been made from the union viewpoint, suppliers had a demand of their own. Food market operators did not want sales representatives of any sort working in their aisles during the busy weekend days, so suppliers tried to stipulate a 4-day, 10-hour-a-day stint, adding up to the traditional 40-hour week. They were

willing to have their men in the clerks union under such terms. Seeing this as a break in the principle of the 8-hour work day, and, therefore, not permitted by the union unless overtime is paid, the International refused.

New Merchandising Method?

Have the "rack jobbers" launched what is, as the Clerks say, a new method of merchandising? It would seem so, although how long it is destined to endure is debatable. During the past ten years, certainly, the size and number of service suppliers has increased enormously and the number of items handled by them grows daily larger. Where a few years ago small portable racks were found in even large super markets, now vast islands of service-stocked and displayed merchandise is the rule rather than the rarity.

Most of the items are non-foods in the drug sundries, toiletries, cosmetics, hardware and housewares fields. Estimates of the percentage of such service-supplied merchandise in relation to traditionally handled merchandise range from 2% to 5% of total volume handled in super markets.

Some markets in California now have up to 15 service suppliers stocking shelves and arranging floor displays of a wide variety of goods. You can find almost any pre-packaged cash-and-carry merchandise. Outlets that once declared themselves as primarily interested in selling food are adding anything from lamp shades to inexpensive shoes. Purity Stores, a West Coast grocery chain, for example, recently introduced soft goods into 27 of its hundred or so units. Newer Safeway markets have large islands of non-foods, most of it servicesupplied.

Other changes in merchandising and distribution are taking place. For example, there has been a slight but noticeable shift in certain large food chain operations to store-door delivery of some merchandise that formerly went through the warehouse, later to be stocked by clerks. Unions see handwriting on the wall here, particularly as automation spreads.

Manufacturers themselves in some fields, impressed with the expansion of self-service merchandising on the one hand and the apparent efficiency and effectiveness of the service-supplier methods on the other, are tailoring suitable merchandise to this operation. More and more kinds of merchandise may be expected to find its way into the service-supply field as one-stop shopping centers grow in number and the range of merchan-



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dise offered grows. Food and beverages, which form the nucleus of these centers, are known traffic builders; and manufacturers are eager for a crack at the opportunities promised by this traffic.

Retailers, for their part, have no hesitation in saying, if there is money to be made without much effort on their part in offering more impulse merchandise, they are for it! Little is asked of them but a spot in their stores and it all helps to pay the increasingly heavy overhead.

As competition for coveted retail shelf and display space becomes more intense, manufacturers in some fields vie with one another in the services they offer retailers: displays, demonstrations, stock checking and rotation, to name those most generally provided. This reaches far beyond the service-supplier fields into almost every kind of retail merchandising, not alone in food markets but wherever consumer goods are sold.

Merchants themselves encourage the practices. Many a store owner or manager will say to a supplier, "I'll handle your product if you will stock the shelves and keep stock rotated." In this way smart operators have contrived to get a lot of free services not available to their competitors. Baby foods, spices, condiments, nuts, some canned goods, macaroni, are among items that have carried such servicing.

Are Clerks on the Way Out?

What the Clerks fear is that their work is being gradually eroded to the point where they will find themselves relegated to being mere cash register operators. They envision driver-salesmen, service suppliers, manufacturers' representatives and salesmen of one sort or another pre-empting all of their duties with the exception of taking the cash from the customer and putting the merchandise into a bag. The union, of course, some time ago foresaw loss of membership and power.

One of the early disputes was centered on "supervision," and the Clerks' right to bargain for store managers. But in 1955 Jinkerson's local 648 made a smart move in the long-range battle to secure what employers subsequently called "clerks' monopoly of work." The local agreed not to bargain for employees but for work. This let the store managers out of contract bargaining, but took from them the right to do clerks' work.

Safeway Stores, scene of much of the battle, had no objection to this, preferring to keep the status of supervisory personnel intact. Neither they nor the retail food industry generally saw any great threat in the fact that other conditions were being intro-duced by the Clerks. For this was the birth of today's Clerks' Work Clause (see box) which is harassing suppliers. It has formed the model for inclusions in agreements adopted in the rest of California and across the U.S. and Canada. In the San Francisco agreement, suppliers were granted the privilege of continuing services traditionally permitted; but no expansion was to be countenanced. Under the new clause, the only persons permitted to perform services in stores (other than their own clerks and the listed exceptions) were inventory takers and price checkers.

Although the original dispute began with Safeway, the chain contends that its position, in respect to the current phase, is neutral. As a spokesman for the organization puts it: "Historically, we have been opposed to anybody coming into our stores to do stocking, set up displays or make demonstrations."

Nevertheless, in southern California, Safeway was tripped up by the new clause. Trouble began when the union began to interpret whether or not a given supplier service had traditionally prevailed in an area. In northern California the general understanding was that past practice meant practice in the industry—not in individual stores. In the southern part, the union took the stand that only those stores which had historically received the specified supplier services could continue to receive them.

could continue to receive them.

To take an example: Safeway had not, previous to the signing of the

contract containing the Clerks' Work Clause, been served by the Rawson Drug Co., which services drug sundries, cosmetics, housewares and hardware items to stores. Safeway desired this service for a given unit. Rawson was servicing hundreds of stores in the area. But the union argued that to permit this new service would be in violation of the clause. The union made no bones about its intention of restricting the servicesupplier type of operation-and the fight was on in earnest. The industry realized that the harmless-seeming Work Clause contained a joker.

From here on, the moves on both sides are too complex to follow in detail. They would fill a book. Suppliers have entered the fray and in some instances defied the union, in others brought cases before the NLRB or into the courts.

For example, Certified Grocers, a wholesaler in southern California which uses the service-supplier method of distribution, shelf stocking and display of the gamut of super market items, has been aggressively expanding its outlets and services. The union has objected to the expansion, claiming that the Work Clause was being violated by the presence of Certified representatives in the stores, doing "clerks' work." Certified is fighting back.

During the past few years some new companies in the field of variety merchandise have come to the fore as service suppliers, in certain instances ignoring the union restrictions or directly attacking them. Several have independently filed cases

The "Work Clause" That Started It

Retail Clerks' International Assn. locals all over the U.S. and Canada are working to get the following work clause into contracts. In a smart move in which the Clerks resolved to bargain for work, not members, this clause was first won by San Francisco Retail Grocery Clerks, Local 648, in 1955; later adopted in other areas.

Section 1-RECOGNITION and CONTRACT COVERAGE

(b) All work and services (not defined as supervisory under Section 2(11), N.L.R.A.) connected with or incidental to the handling or selling of all merchandise offered for sale to the public in the Employer's retail establishment shall be performed only by employees within the appropriate unit as defined in this agreement; except such work as may be performed in the preparation and sales of meats, poultry, fish and seafood products, both fresh and frozen; and except such work as is performed under prevailing practices in San Francisco at the point of delivery by a driver-salesman engaged in servicing the retail markets with merchandise directly from a delivery truck.

with the NLRB. A number of cases have reached the courts. In the Board cases, the charge brought against the anion is "improper interference with jurisdiction." In the court cases, the suppliers claim that the union stand is in restraint of trade. Rawson has filed a restraint-of-trade suit, claiming that an arbitration decision adverse to them could put them out of business.

An arbitration request was filed in Los Angeles with the Board by the Clerks' local 770. The request is being opposed by the Food Employers' Council, Inc., headed by Robert Fox. This organization, which is the bargaining unit for food markets in southern California, insists that the issue is not an arbitrable one. We will not attempt to summarize the reasoning, which is contained in a 17-page brief. The Clerks came back with a request to arbitrate whether the issue is arbitrable or not. There it stands at present, with Rawson and other service suppliers on the rack.

➤ Meanwhile, the Board has upheld the suppliers' contention that the Clerks are guilty of an unfair labor practice in trying to exclude the supplier-service representatives from their work in stores.

The Board also has ruled that the union cannot compel an employer to assign work to one union in preference to another. The Clerks have appealed the charge of unfairness to the courts, where it now awaits a decision. Those close to the matter believe that it could travel all the way to the U.S. Supreme Court. In the

Los Angeles disputes considerable confusion prevails. For example, while local 770 is battling for arbitration, down in San Diego, where clerks work under the same Work Clause, the local contends that the issue is not arbitrable.

The present situation appears to be this: Where suppliers have brought charges of restraint of trade against the Clerks, the courts have issued temporary injunctions. These prohibit the Clerks from interfering with the work of the service suppliers' representatives. Thus, the suppliers are operating in the disputed areas, freely as to the stores they may service, but within the limitations of the labor contract clause limiting work to a single driver-salesman at a call.

Who is Affected?

The question arises: Is this issue limited to the food store field? At present it is so limited, primarily because the only effective organization the retail clerks' union has achieved is of retail grocery clerks. In drugstores the union has made some headway; less in retail hardware and most other areas of retail trade, with the exception of department stores. In the latter they are strong in some areas (San Francisco, for example), weaker in others, but definitely gaining ground.

Geographically, suppliers of food market merchandise anywhere in the nation may expect a parallel to the California situation to develop if it has not done so already. An industry spokesman remarked: "The thing is spreading all across the U.S. and Canada. Here in California we appear to be reaching stability, except in the Los Angeles area. And what the Clerks have won here they will attempt to get wherever else they are bargaining."

Is the dispute limited to rack jobbers or service suppliers, or does it threaten other types of distribution and the services of manufacturers? The situation is complex and unclear. No attempt has been made thus far by the Clerks to interfere, for example, with shelf stocking and display of breads. There has been some harassment on milk, a good deal of trouble with respect to the handling in stores of other kinds of dairy products, cheese in particular. Cookies, cakes and packaged baked goods of this sort my be explosive. For example, National Biscuit and Sunshine Biscuit drop-ship orders; they would like to send their sales representatives in to stock and display. Clerks will not permit this.

Cal-Ray Bakeries and Mother's Cake & Cookie Co., on the other hand, which service their customers directly from their own trucks, have free rein to stock shelves and set up displays so long as they observe the one-man limitation. Naturally, the companies that drop-ship feel at a disadvantage.

Who May Set Displays?

Manufacturers or distributors staging special events to promote their merchandise and seeking floor displays in markets must look to the rules. Some Clerks' locals permit the setting up of special displays in stores over which they have jurisdiction, provided that needed merchandise is brought from the back room by the store's own clerks. Other locals will not permit even this. Soap, salt, ready-mixed package products, canned goods, in fact any normally promotable item, may be affected.

At present, in California, there are more areas of permissiveness than of restriction; but the impression of merchants and their suppliers is that the negative attitude by union locals is gaining ground. Manufacturers are not happy over the doubtful status of this work because, they contend, it is essential, desired by or acceptable to most merchants (other than large organizations like Safeway), and very specialized work. Few clerks, they point out, have the knowledge, experience, aptitude, and for that matter, the time, to attend to it properly. They would welcome clarification.

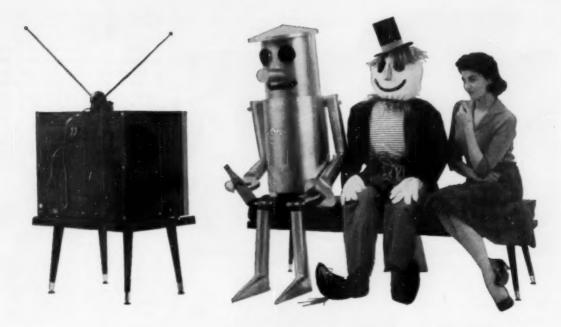
Demonstrations in retail stores are permitted only if the demonstrator is a member of the Clerks' union. This

Survey of Buying Power July 10 This Year

Because of delays in the release of revised figures on 1958 retail sales by the Bureau of the Census, vital to us as a benchmark for projecting 1959 retail sales by states, counties, cities and Metropolitan Areas, the Survey of Buying Power release date has been moved up from the usual May 10 to July 10.

This year the Survey of Buying Power, dated July 10, will carry for the United States and Canada, population estimates as of January 1, 1960, and estimates for the year 1959 on net Effective Buying Income and retail sales, plus cash farm income figures for leading agricultural counties in the U.S.

The Editors
Sales Management



HARD PEOPLE, SOFT PEOPLE OR REAL PEOPLE?

Who watches TV?

That's right. Real people. There aren't any hard and soft people. Oh, there are people who make hard goods, like TV sets, and people who make soft goods, like TV snacks. But real people buy and use both. See what we're getting at? People who buy things can't be classified the way people who make things are. \Bar{\textbf{M}} Why, we even get called "Hard Goods People" or "Soft Goods People" by people who find out that we advertise batteries, for example, or beer. But we don't make products. We make products interesting. We make advertising, like TV commercials. And, although our 700 people can come up with all kinds of product experience (including TV sets and snacks), it's the kind of commercials and the kind of shows they come up with that count.

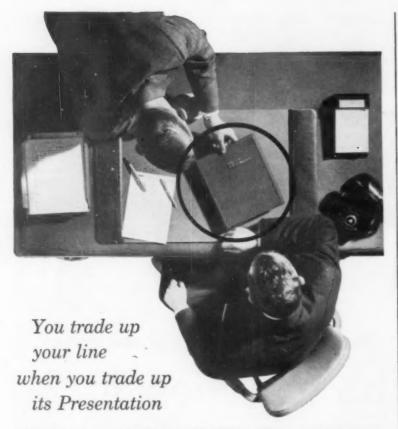
You may (or may not) be interested in the fact that last year Campbell-Ewald TV programs won the following awards*: "Woman of the Year," Dinah Shore; "Man of the Year," Art Carney; "Comedy Show of the Year," Small World-Isn't It; "Color Program of the Year," The Dinah Shore Show; and "Best Public Service Programming," Eyewitness to History. All in the interests of our clients. point? Please don't decide that we wouldn't be interested in advertising your product, or wouldn't know how. The only thing we specialize in is advertising . . . whatever you specialize in making. What do you specialize in making? Our president, Tom Adams, TR 2-6200, Detroit, would like to know.

CAMPBELL-EWALD ADVERTISING



DETROIT 2, MICH. NEW YORK CHICAGO LOS ANGELES HOLLYWOOD SAN FRANCISCO WASHINGTON DENVER ATLANTA DALLAS KANSAS CITY CINCINNATI

*All-American Awards of the Year, as selected by the nation's top Radio-TV editors and reported by RADIO DAILY-TELEVISION DAILY.



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	rmation about how to select a decorated cover and about the ne Have your representative call \square	ie neu		the new	
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rules out demonstrations by sales representatives, although there have been instances where a union has granted a permit for a one-time or special demonstration event. In some areas, in the case of store openings, manufacturers' and distributors' salesmen are permitted to install original displays of merchandise and to direct demonstrations.

If the present trend continues, according to industry men in the food field, the long-range outlook is that manufacturers and suppliers generally are not going to be able to stock, display, demonstrate or otherwise handle products in retail stores, using their own book-salesmen. If they wish to do any of this, they must make some arrangement whereby the work is done by a retail clerk who is a member of the union having jurisdiction in the store. Each store at present has one clerk who is a shop steward and he may stop anyone observed doing "unauthorized work."

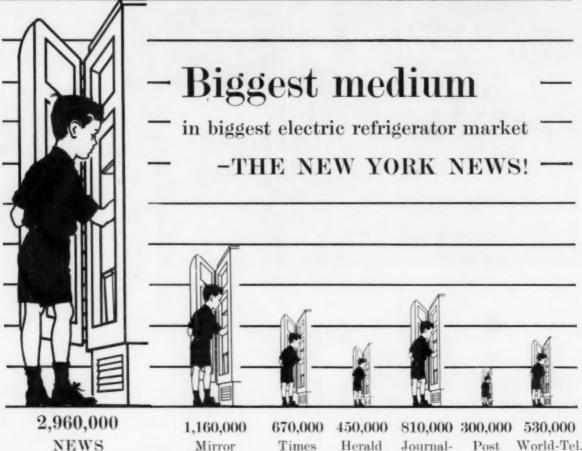
Manufacturers and distributors foresee the possibility that—if extremists in labor union circles win out (for example, in some of the current southern California disputes)—driver-salesmen might have to belong to two unions, their own and the store clerks'. Or distributors might have to agree to drop off shipments, stocking and display to be done later by a second employee who would belong to the Clerks' union. Or the suppliers could drop-ship and leave stocking and display to the clerks in the store.

Have Suppliers Any Out?

The above, simplified, for it is very complex, is the situation in California and wherever the union has won similar "monopoly of work" clauses. What of the areas where no such clause has yet been written into clerks' contracts?

In some cases the Work Clause may be accepted by an industry, which might then do its best to get liberal exceptions. The exceptions are negotiable and can be made bargaining points. A wide range of exceptions could leave suppliers an open door for a reasonable amount of service in stores. On the other hand, the Clerks -where strong enough-might bargain for all work in a store to be done by its own employed clerks, with no "outsiders." Since the Clerks' International is not enthusiastic about the great and sudden growth of the service supplier, they may try for such a restriction.

Manufacturers and other suppliers obviously have a stake in what sort of contract retail industries make with the Clerks.



(Source: Profile of the Millions-2nd Edition)

Tribune American World-Tel. & Sun

In metropolitan New York,

The New York News has 2,960,000 readers in households owning electric refrigerators-more than all other New York morning papers combined, and more than all evening papers combined.

Appliance buyers are good customers for all kinds of merchandise, big-ticket and volume. And The News has more of them!

The News also has more home owners, new car buyers, stock owners, families with children, and readers in families with incomes over \$5,000-and over \$10,000.

In the nation's major market, The New York News is your major selling medium!

Want larger sales - use THE NEWS!

THE NEWS, New York's Picture Newspaper

 $More\ than\ twice\ the\ circulation, daily\ and\ Sunday, of\ any\ other\ newspaper\ in\ America$

News Building, 220 East 42nd St., New York 17-Tribune Tower, Tribune Square, Chicago 11-634 Buhl Building, Detroit 26-1405 Locust St., Philadelphia 2 -3460 Wilshire Boulevard, Los Angeles 5-407 Lincoln Road, Miami Beach 39-155 Montgomery St., San Francisco 4-27 Cockspur St., London S. W. I, England



Altruism Solves an Ad Problem

- Problem: To build an ad campaign, aimed at farmers, that combines excitement, interest and recognition of farm supplies.
- Solution: A feed firm establishes brand identity in the minds of farmers by helping them advertise their own products.

Devising an advertising campaign for most farm supplies generally isn't the most stimulating phase of marleting

Certainly—for some—it isn't on a par with introducing a new shade of lipstick, talking about the lines of a 1960 automobile or the number of fibers in a filter cigarette.

The hard facts of life about farm supplies selling are that they deal mainly with such subjects as the pounds of feed required to produce a dozen eggs, a pound of meat or a hundredweight of milk. And, though this type of advertising is eminently practical, down to earth and effective, it is not likely to engender excitement.

How, then, can you build a campaiga, aimed at farmers, that incorporates excitement, interest and-most important of all-stand-out recognition, around such a bulk-use product as farm feed?

This was precisely the problem confronting 73-year-old Wirthmore Feeds Inc., of Waltham, Mass. Listen to Sales Manager Robert D. Emmons tell how his firm solved it.

"After numerous meetings between our advertising and sales departments, it seemed that the best way for Wirthmore to establish brand identity in the minds of its farm customers was for them to do the job themselves, rather than for us to try to do it for them.

"How to go about it? One way is to put yourself in the position of your customer, figure out what his most pressing problem seems to be, then see if there's any way you can help him solve it."

In brief, here's the plan the Wirthmore team came up with: A self-help sales program, sponsored by the Massachusetts firm, in which livestock, dairy and poultry farmers plug the products they raise.

Via ads in Farm Journal and other farm magazines, Wirthmore invited farmers to see their local feed dealer or write in to the Waltham, Mass., office for free auto bumper strips, gummed stickers for correspondence, posters, truck signs, postcards—even 2 ft. by 4 ft metal signs—which bear such slogans as "Milk Refreshes," "Eggs for Health," "Eat Turkey Today" and "Eat Red Meat."

This material, in addition to the regular sales messages for the full line of Wirthmore products, produced amazing results.

According to E. S. Moore, Wirthmore's director of advertising: "While we and our dealers were pleased to receive requests from farmers and agricultural groups for thousands of these promotional items, what surprised us most of all was that they came in despite the fact that the initial ad carried no coupon or order form.

"Once you stop to think of it," he adds, "the whole thing seems rather simple. It's scarcely a secret that farmers today raise a whole lot of food and fiber. If Wirthmore can help move some of these products, it's not too much to expect that the same farmers will think kindly of our company the next time they have to make a feed buying decision at their local store.

"Furthermore, it's perfectly obvious that our fortunes are tied directly to those of the farmer. As he prospers, so do we. We want him to know that we are doing all in our

Why are so many important people reading Nation's Business?

(Senators, for example)



Senator Vance Hartke, (Democrat, Indiana)—who cited Nation's Business "Let's Take the Brakes Off Growth" article in support of two bills he introduced proposing removal of certain limitations in the present Social Security Laws.

If there were one word that characterized the editorial content of NATION'S BUSINESS, it would be usefulness.

Senator Hartke—and many other legislators—find the magazine's articles not only interesting, but reasoned, solidly factual, and useful indications of the way business is thinking about national and local community issues, about world and national political trends and about legislation...as well as about the course of business itself.

NATION'S BUSINESS editorial province is the whole lively, exciting field its title suggests—with emphasis on Washington, national and community issues affecting business, management leadership in business.

It provides a useful look ahead at the business scene each month for some 750,000 presidents, owners, partners and other top executives in more than 500,000 business firms across the country.

Through its advertising pages, you can build a favorable corporate image for your company . . . create acceptance for its products . . . announce new policies and products . . . or produce leads and make direct sales or business calls on more of the nation's businessmen than you can reach with any other management magazine.



ADVERTISING HEADQUARTERS, 711 THERD AVENUE, NEW YORK 17, N. Y.

YOU ADVERTISE IN NATION'S BUSINESS...TO SELL MORE OF THE NATION'S BUSINESS



To: Howard Ganek, Director of Advertising

Please advise our ad agency to eliminate all superlative type adjectives in describing the Hollywood Beach Hotel. I realize they're applicable, but the public is fed up with such terms.

Let's use down-to-earth language to say that the Holly-wood Beach offers more to anyone interested in sales meetings and conventions, sales incentive contests, seminars, directors conferences and just plain vacationing.

I feel that the combination of unadorned facts and our reputation will do the trick.

Dick.

power to see that he does prosper."

Here's a sampling of some of the enthusiastic comments:

"... You certainly are trying to do a good job. I feel sure I can make your materials work for the egg industry."

"... I think your selling aids are a great idea, and would like to send them to all 400 Farm Bureau members in Livingston County."

"... We thank you very much and appreciate Wirthmore's interest in meat-milk-eggs prometion."

"... Saw your ad about sending in to get free promotional material for eggs. Please send us some soon, as we sure try hard in selling hen fruit to the public."

This do-it-yourself ad campaign for farmers also got rave notices from Wirthmore dealers and managers of company-owned stores. First the prospect sees the ad for free sales material in his farm magazine, then he reads about it in his local newspaper. Finally he comes to his Wirthmore distributor for a supply.

"This builds good will for the dealer and provides him with an excellent sales opportunity," says Moore.

Actually, this latest campaign repre-

sents no new departure for the Massachusetts firm; it's merely a continuation of a program that's been in effect for a number of years. Shortly before World War II, Wirthmore helped to establish—and supported exclusively for the first year of its existence—the New England Fresh Egg Institute, which later became the Poultry and Egg National Board.

In addition to contributing funds for the work of such groups, the company has since independently endeavored to assist in marketing farm products profitably. For example, Wirthmore suggests to farmers that they tie in their local efforts with PENB's "March Egg Month" and the American Dairy Association's "June Dairy Month," etc.

Ad Director Moore concludes: "By devoting a considerable part of our advertising dollar to promoting the sale of farm products, and then telling the farmer what we are doing for him and what he can do for himself, Wirthmore and its dealers gain good will—and new business.

"This good will makes it pretty tough for competition to take business away from us, and in that, we feel, lies the real value of this type of program."

At Home Or Office...

... your back issues will always be at your fingertips, in organized sequence, in Sales Management's attractive hard-cover binders. Twelve issues can be bound in and removed quickly. Sales Management stamped in gold lettering on backbone of black, imitation leather binder. Cost: \$4.65 each, postpaid.

Sales Management 630 Third Ave. New York 17, N.Y.



New brochure describes the exciting new ways industry is using Fasson pressure-sensitive materials . . . to add new sales appeal . . . slash assembly line costs . . . even create new products never before possible! Actual samples for you to see

Write for your free copy today. Dept. X.

and try are included.



Fasson Products

A Division of Avery Adhesive Products, Inc.
250 Chaster St., Poinesville, Ohio



it takes all six to go like the 60's. In the decade ahead GNP will soar from \$486 to over \$695 billion . . . and much of this expansion will stem from the new product "explosion" within the Original Equipment Market. Your company's success will depend largely on how you evaluate markets and media now. Nothing will help you to measure the potential for your product as well as an OEM PRODUCT PROFILE prepared by the Market Research Department of Machine Design. It provides an in-depth analysis of your product in terms of the OEM. And no other magazine will help you to make the most of this potential as effectively as MACHINE DESIGN. For no matter how you measure it . . . MACHINE DESIGN offers greater value for your advertising dollar. That's why we suggest you ask your MD man for facts on all six points editorial, readership, advertising, response, circulation and marketing help-to soar like the 60's. Machine Design, A Penton Publication, DESIGN

Penton Building, Cleveland 13, Ohio.



She's sold!

...and Du Pont cellophane's "tailored protection" made the sale more profitable

Those rolls the lady is buying are as fresh as they look—because they're packaged in one of Du Pont's special cellophanes.

And we mean a special cellophane—one of over 100 different Du Pont cellophanes. Each is designed to do a different job—to provide a different degree of protection. This means you get a Du Pont cellophane that fits your product's needs exactly. You don't have to pay for any more protection than you need—and you

don't have to settle for any less. The result: more customer satisfaction, fewer returns, more profit per sale.

And no other packaging material can match the selling power of cellophane's sparkling transparency . . . or its colorful printability . . . its high-speed machine efficiency . . . its versatility in package construction.

PROVE TO YOURSELF that Du Pont cellophane can help you sell more . . . package more profitably. Ask a

Du Pont representative to give you all the facts. Du Pont Co., Film Dept., Wilmington 98, Delaware.



Better Things for Better Living



Sales Forecasts That Jibe With Performance

The sales forecast of Calumet & Hecla's Wolverine Division isn't completed until the division's own forecast aligns with the industry analysis and the general economic outlook. High accuracy rate of 15-month prediction permits use in strategy planning.

Sales forecasting, if done correctly, can be the single most important function of the sales executive—accurately and scientifically prepared, sales forecasts can provide the "why, when, where and how" for all other marketing functions.

But how is a workable-truly meaningful-sales forecast to be obtained?

Placed in the management confessional, many sales executives admit that their sales forecast is based on "feel," with no one being more dissatisfied with the result than themselves. The problem involves the negative effects of "crystal-balling," "If clairvoyance were that easy to develop," bemoans the average sales exec, "we could do a lot better at Santa Anita or Hialeah."

Actually, it boils down to "Who's got the system?" The successful sales forecaster is the man who has enough scientific know-how to produce a figure which consistently comes close enough to actual sales to make the whole forecasting effort worth while.

"The system" at Calumet & Hecla's Wolverine Tube Division, which manufactures various products in the tubing field, has started to attract attention in the industrial sales field. And with good reason — the company has introduced a combination corporate and divisional forecast, which has proved accurate to within 3% of actual sales.

Here is how that elusive sales fore-

AT CORPORATE LEVEL, the GNP is projected on the basis of five economic indicators to find the general economic direction. Chart shows actual industry shipments follow indicators closely. cast is obtained at Wolverine. The corporate manager of economic research prepares an "umbrella" forecast which provides the economic climate for preparation of the actual sales forecast by division marketing experts. (In the interest of better understanding, the exact methods for obtaining these two forecasts have been outlined separately.)

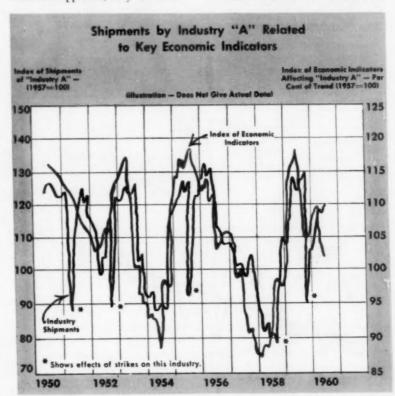
When both forecasts have been finished and approved, they are reconciled; and a finished sales forecast for the Wolverine Division is presented to divisional as well as corporate management.

J. M. Dumser, director of marketing for Wolverine, describes the all-important and crucial reconciliation process: "To prevent a lot of pointless discussion, we've set up limits of disagreement between the economic forecast and that of the division. If they both fall within these limits, we assume they are in agreement. In other words, we either go up or down, but we do it together.

"Should one of the forecasts exceed the limits in either direction, then we go back and reconcile the forecast estimates. What we want, of course, is a unified conception of what we can expect. We get it by reconciling two important viewpoints – corporate and divisional."

The final reconciliation meetings begin with the division's product managers. They generally accept the corporate/divisional forecast totals but have the option of disagreeing. However, they must be able to support their points of disagreement. They reach a decision as to the total divisional sales and, for the first time, break this down by product lines.

Meanwhile, the division's 12 district managers around the country have instructed their salesmen to fore-



cast their own prospective territory sales.

The next step is a meeting of the product managers and the district managers, each with their own forecasts. An agreement is reached here between the district estimates (by product lines) and the already-firm product managers' total.

▶ The final divisional sales forecast is an amalgam of the figures developed by the division's market research manager, the division product managers, the division's district managers and their salesmen, and the economic forecast—with the final responsibility for making a firm divisional sales forecast resting with the divisional general manager.

Adds Dumser, "The corporate economic forecast, in terms of creating the proper climate for the divisional forecast, is indispensable, as is the final reconciliation.

"Remember, the corporate organization must first accept the responsibility for this economic climate in which we in the division are going to forecast. If they were not willing to do this, we really would have no basis for a forecast. They simply must determine the general economic climate.

"And in addition," continues Dumser, "they must supply a forecast of the price of your basic raw material, which in our case is copper, because this price is a key requirement for our divisional forecast. In other words, it must be determined initially, exactly at what economic level the corporation is operating. For example, the corporation might have five different divisions using five different basic levels about which they're all forecasting. How can a corporation use these divisional forecasts to try to forecast its corporate earnings? How can differences of opinion relating to corporate and divisional forecasts be reconciled?"

How? By the sales forecasting program you've just read about. Wolverine's 3% – or less – difference between the forecast and sales figures proves the validity of its system.

Counter checks and balances, a reconciliation of sales forecasts on several levels, and, most important, a statistically scientific approach to the subject, has produced quarterly, annual and 10-year sales and earnings forecasts upon which the company is able to base its over-all market planning and sales strategy.

The Corporate Forecast

Here is the way in which the corporate "umbrella" forecast is prepared by Calumet & Hecla's manager of economic research, Dr. Lewis Drake.

The corporate-level economic forecast begins with a projection of Gross National Product, adjusted for change in the value of the dollar.

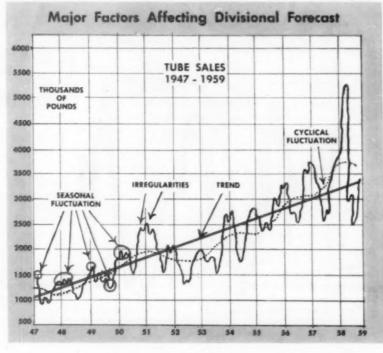
TREND CHART helps Wolverine frame cycle pattern as an ald to divisional sales forecast. Here J. Cameron (I.) and J. Dumser of market research check trend before making final projection.

"From the forecast of Gross National Product," says Drake, "we develop forecasts of all industrial production. These figures are established by relationships with certain segments of Gross National Product, allowing for recent rates of increase or decrease in manufacturers' and distributors' inventories."

A system of charts is kept from which these relationships can be observed as new data become available.

"A key factor," continues Drake, "in the projection of Gross National Product, concerns what appears to be a simple question but what, in fact, is extremely difficult to answer. Briefly, it is this: Will there be a change in direction of the general economy? The answer to this can be obtained by reference to five principal guides: (1) the percent of change in the money supply; (2) the rate of incoming orders; (3) inventory-sales ratios; (4) observance of the apparent cyclical position of business, and (5) recognition of effects of strikes and other specific events.

"Having once established the general pattern, we can make projections on major categories of industrial production by (1) correlation; (2) long-term trend values; (3) inventory posi-

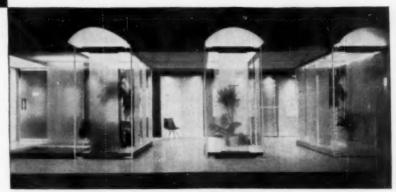


INITIAL TASK for divisional forecast is to plot raw sales data for past years against four basic elements: seasonal fluctuations, irregularities, trend and cyclical waves. Irregularities factor out.





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America's Most Recommended Mover

To introduce new textures and patterns of structural glass to architects, American-Saint Gobain Corporation used Mayflower to put the show "on the road."

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CIRCULATION: Combined Daily 229,181 Sunday Herald-American 202,737 Sunday Post-Standard 103,496

Regional Distribution Problem?

The complete range of regional market research problems can be tapped with the facilities of Market Statistics, Inc., research consultants to Sales Management. Write: Market Statistics, 630 Third Ave., New York 17, N. Y.

tion of the industry; and (4) price factors.

"To illustrate, let's use our industry as an example, using the projection of shipments by brass mills and wire mills.

- "1. The year-to-year change in GNP vields a first estimate of yearto-year change in industrial produc-
- "2. Industrial production is adjusted for long-term trend to yield a first estimate of shipments by brass and wire mills.
- "3. Shipments by brass mills and wire mills are modified by effect of industrial incoming orders.
- "4. Deliveries of copper to fabricators are estimated from brass and wire mill shipments.
- "5. Delivery-stock ratio of refined copper is used to make an estimate of price of scrap.
- "6. Price of scrap is used to make a projection of price of refined metal.

The economic forecast, a look at our general economy with emphasis on factors of greatest importance to our industry, delivers the following pieces of information to the Wolverine Tube Divisions' forecasters:

- "1. The copper price, and its trend, which will affect the level of sales of mill products.
- "2. The level of shipments of copper and brass mill products, in which industry the division is a participant.
- "3. Projections of major economic indicators of principal markets, for instance: business expenditures for durable equipment, number of houses to be built, commercial and industrial construction, production of consumer durable goods."

The Divisional Forecast

While the corporate-level forecast is being prepared, Wolverine Division marketing experts are busy on the divisional sales forecast.

"At the outset," says James Cameron, manager of marketing research for the division, "we take raw sales data for the past ten years, containing four basic elements: (1) trends: (2) cyclical fluctuations; (3) seasonal fluctuations; and (4) irregularities. The sales executive will, of course, farm out the routine statistical functions to one of his company experts, keeping the coordination, direction and overall responsibility for the forecasting program in his own hands."

Cameron continues: "Using statistical methods familiar to any company statistician, we calculate a seasonal index for all months of available data. In this case, we're talking about ten years times 12 months to the year. We come up with 120 seasonal indexes. Then we make a statistical distribution curve of these 120 indexes in order to eliminate the ones that occur outside the normal distribution curve.

Once these unusual indexes are isolated, case history techniques are applied to determine their cause. You can never rid yourself of these irregu-

larities completely.

"Setting these 120 indexes aside for the moment, we turn again to our raw sales data, and calculate a trend line through it, arriving at the number 120 again. Only this time we have 120 trend values instead of seasonal indexes. The raw data for each month are divided by the corresponding seasonal index. The quotient is divided by the corresponding trend value. What is left consists of irregularities and cyclical fluctuations.

Then we use a moving average and smoothing techniques which are applied mathematically to remove the irregularities, leaving, simply, a cycle fluctuation. What we then have left is a cyclical pattern of ten years of sales with effects of long-run trends, seasonal variations, and the greater part of irregularities eliminated.

"We now have the ingredients of our past sales history cut out from the herd, so to speak. We know what

bore upon past sales.

"Actually, we use the basic cyclical pattern, developed from actual sales data [as in the above paragraphs] to make the final sales forecast. The sales cycle is extended and is modified by judgment factors required by

prevailing conditions. To make the extension of the sales cycle, we compare the present with previous situations where economic circumstances were similar to the anticipated climate of the coming year. By extending the sales cycle, we get cycle values for each of the 12 months ahead. Next, we merely project the trend line, giving us 12 trend

values for the year.

"Finally," concludes Cameron, "instead of dividing as we did in the factor-out phase at the beginning, we multiply our cycle values by the seasonal values, by the trend value, and make allowance for special present conditions. Based on these figures, we make our 15-month sales forecast which allows us to stay a full four quarters ahead of the current sales period." • RAK

HOW UNITED AIR LINES CAN HELP YOU BUILD

BIGGER SALES VOLUME

You know without being told that everybody likes to travel. Especially to such glamorous places as Hawaii, Hollywood, Las Vegas, New York, Washington and other world-famous vacation areas.

But have you ever thought how this fact can help you build bigger sales volume? United Air Lines can play an important role in helping you create special sales drives and campaigns to capture the enthusiasm of your entire sales staff.

For example, United serves the major resort areas, as well as 80 principal cities coast to coast and Hawaii . . . complete package vacations are available . . . a choice of service is offered, highlighted by the DC-8 Jet Mainliner®—the best of the jets.

All of this can be put to work for your benefit. And United will handle all the details. A special sales staff is ready to assist you at every step. Call your nearest United Air Lines District Office for complete information, or write: W. H. O'Donnell, Sales Promotion Manager, United Air Lines, 36 S. Wabash Ave., Chicago 3, Ill.



A Matter of Taste

We received a letter in the mail the other day, announcing the first "Awards of Good Taste" to be given by the American Institute of Approval. With no little misgiving, we sent a staff writer to attend the Awards Luncheon, which was held in New York's posh Sheraton East. There our man met Lady Malcolm Douglas-Hamilton, founder of the "Institute," and learned how the organization was founded and why, how it is run, its aims, how it hopes to sustain itself, and the appeal it has for marketers. Here's the tongue-in-cheek memo, not a story, that we got from our scribe.

MEMORANDUM

To: Managing Editor Re: Good Taste, Inc.

Confirming your suspicion, this organization is really for real! There really is a group of ladies who have organized what they call the American Institute of Approval. And, it is their laudable aim to have a hand in improving the "good taste" in American products. It's a pretty Blue Book group, headed by Lady Malcolm Douglas-Hamilton of Bundles for Britain fame. The ladies are all nice, polite and apparently well cared for.

However, I'm a little fuzzy on what makes them qualified to pass on "good taste," that is, any more qualified than you or me (or is it I?). But, apparently, they've got a whole bunch of manufacturers convinced that their opinions are flawless and these same manufacturers have shelled out \$1,500 each to have their products submitted to taste-finding scrutiny.

The purpose of the institute is to advise manufacturers of consumer goods on the good taste of their products. By elevating standards of taste, the institute hopes to raise "America's reputation in the eyes of the world."

The service is performed by members of a "National Panel of Consultants" selected by Lady Douglas-Hamilton from among her friends noted for their "impeccable" good taste. At a manufacturer's request, a small troop of four or five of these taste-oriented ladies visits a plant or a showroom and pronounces on the good taste of certain product designs. The institute functions not as an originator of ideas (that would be asking a bit too much), but as an arbiter of alternate designs presented for consideration. It can hardly be called scientific testing. The panel employs no market research. Its opinions are strictly a subjective, impressionistic evaluation. (Kind of like the way you rate my stories.)

To defray the cost of the panel's expenses (transportation, lunches, correspondence, etc.), the manufacturers are billed \$1,500. Out of this, \$100 goes to each of the panel members as an honorarium for the day's participation. The manufacturer, in turn, receives a summary report of the ladies' efforts.

The institute, organized as a non-profitmaker, apparently has good taste in everything, since it offers to examine all consumer products from cars to carpets, appliances, china, silver, TV sets and packaged foods. You name it—thev'll judge it.

I'm still a little fuzzy on why these ladies feel completely competent in this highly controversial area, although I'm sure my wife would feel eligible for panelship. Anyhow, the institute is undoubtedly a noble effort to save America from the degeneration of indulging middle-class preferences in style and design. It is this middle group which the institute hopes to elevate since those ladies of the upper-income level—who comprise the panel—"have been gifted with superb and widely recognized good taste." Though ask I did, I did not get a clear answer on how these gals, not trained in design and untutored in middle-class values, can successfully interpret these values to the manufacturers. The group takes the position, however, that lower-income people have better taste than the manufacturers give them credit for.

I guess the manufacturers are fortunate to be able to obtain the services of such a group. But the ladies aren't doing so badly either. Just think: They get \$1,500 for stating their preferences, while most women—be they rich or poor—would be eager to do it for nothing.

Oh yes, back to the assignment. These are the award winners:

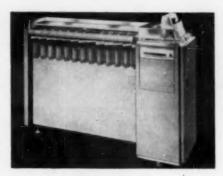
- 1. Amer. Airlines Boeing-707 jet flagship interior design.
- 2. Wm. Carter Co.-kid's clothes-"charm plus miracle fabrics."
- 3. Drexel Furniture Co.-Travis Court (modest-price) dining-room furniture.
- 4. The Gorham Co.-Chantilly sterling-"in Amer. tradition."
 - 5. GE's Hotpoint Div.-18 cu. ft. refrig. freezer.
- RCA—French provincial furniture TV set (reasonably priced).
- 7. Reynolds Metals in cooperation with Lumber Research Council of Amer.-Valley Forge home.
 - 8. Sheraton Corp. of Amer.-bed-sitting rm.

I saw pictures and samples of these products. Somewhat grudgingly, I've got to agree these were in good taste (my opinion, no charge). They're going to make such awards periodically throughout the year.

There's a big story here someplace. These gals are out to put style in steam-shovels and by guts and by gumption they're liable to do it. "Never before," their spokesman said, "has a group of similar prestige come together for the benefit of the commercial world and the public good." Hardly modest maidens these. But the lunch was good. The winning manufacturers were happy. And the ladies had a confident glint in their eyes.

That's pretty much what it is all about. Do you really think we ought to tell our readers about this? Could be we'd scare 'em!

ORIGINAL EQUIPMENT MARKET NEWS ----- PROPERTY



Memo to OEM suppliers: MORE BUSINESS MACHINES A MUST FOR PROFITABLE OPERATION

Machines and automated procedures of every type will be essential for any business to operate profitably in the future.

Long-range prospects for the office and business machine industry are thus excellent. They will provide lucrative sales opportunities for Original Equipment Market suppliers.

Annual sales estimates range from \$1.75-billion to \$2-billion. A conservative guess by an industry man was \$3.5-billion by 1965, with computers and data processing equipment getting as much as 75% of the dollars. This would still mean a \$180-million increase in the "typewriter" category.

A highly-concentrated market, there are some 28 producers. In addition, many "bigname" and electronic specialty firms have engineered their own computer systems. In spite of the relatively few producers, this field is vast in terms of both products and unit volume.

This prosperous OEM segment is now changing constantly. It is highly competitive. It is growing with technological advances which keep it in turmoil. It is estimated that 90% of the industry's current catalog consists of products introduced in the past 10 years.

The business and office machine market will set new records and create ever-increasing demand for materials, components, parts and finishes.

But product development and design engineers will still select and specify carefully. To influence these hard-to-reach men requires an exacting and intelligent marketing and advertising job by you.

are you selling these markets?

These are the principal segments of the Original Equipment Market. Each is a major market for materials, components, parts and finishes. The people who engineer these products read and respond to advertising in Product Engineering.

Agricultural Equipment Aircraft & Parts Automobiles, Buses & Motor Trucks Boats & Ships **Business Machines** Chemical Processing Machinery Coal & Metal Mining Machinery **Construction Machinery** Defense Equipment **Electrical Appliances** Electrical Machinery & Equipment Food Processing Equipment Instruments Materials Handling Equipment Metalworking Machinery Missiles & Rockets **Nuclear Equipment** Ollwell & Refinery Equipment Radio & Television Railroad Equipment **Textile Machinery** Miscellaneous Machinery & Equipment

the OEM is many markets...

DATA Traduct Engineering has a large, growing bank of industry and product reports available on request. For example
INDUSTRIES
☐ Business Machines Report
☐ The Weapons Industry
Packaging Machinery Industry Report
Appliance Market Report
PRODUCTS
☐ The Market for Compressors
☐ Undercoatings & Finishes
☐ V-Belts
☐ Fastener Market Review
Other Information desired
Name
Company
Address
Check the studies desired and mail to Marketing Dept., Product Engineering, 330 West 42 St., N. Y. 36, N. Y.
HEADQUARTERS FOR OEM INFORMATION

PRODUCT ENGINEERING The McGraw-Hill weekly of Product Development & Design Engineering

Defense Firms May Be Forced To Fire Ex-Military Salesmen

Some 2,000 defense marketers would be affected by law aimed at "influence peddling" in the Pentagon by former military brass. House-passed bill stands strong chance of enactment this month.

Some 2,000 companies which sell to the Department of Defense are watching Washington to see what happens to a House-passed bill relating to employment of retired military officers. If enacted in any of the several forms possible, bill would affect all defense marketers. Some firms might have to fire key executives, including those not directly concerned with selling to the military.

"Influence peddling" is the label critics use to describe the situation which pending legislation seeks to correct. Many Congressmen are very suspicious of the activities of former generals and admirals who doff their uniforms and turn up at once on corporate payrolls, often at fancy salaries. Employers are charged with hiring former officers in order to use their influence at the Pentagon to swing huge defense contracts.

▶ Defense contractors deny strongly that they seek to buy influence when they hire former officers. They insist technical and scientific know-how is scarce, and that dipping into the reservoir of talent represented by exofficers is one way of getting top talent.

Only a comparative handful of former officers is involved. A recent survey by the Investigations Subcommittee of the House Armed Services Committee turned up only 1,401 former officers, with a military rank of major or lieutenant commander or higher, on the payrolls of major defense contractors. Furthermore, the survey showed that they received an average monthly paycheck of only \$950.

However, practically all of the industrial giants which dominate the Defense procurement picture employ at least a few former officers. For example, the top three defense contractors, Boeing Aircraft, General Dynamics, and General Electric, reported 61, 186, and 26, respectively. The majority of these officers were

neither generals nor admirals.

Nor are any substantial number of ex-officers holding sales jobs. Even including those whose duties were considered to be in a "gray area," only 131 of the 1,401 were adjudged to have selling responsibilities. This tends to confirm the industry claim that ex-officers are not hired to sell to their friends in high places.

The legislative situation is complex. After years of agitation, two months of hearings, and much backing and filling, the House passed a watereddown bill two months ago. However, this version left its principal supporters protesting that it would legalize "influence peddling."

By parliamentary devices, the House was prevented from voting on stricter terms, including criminal provisions against defense contractors. The original sponsor of the bill, Rep. F. Edward Hébert (D., La.), then took a new tack by introducing the tough amendments as a separate bill for consideration of the House Judiciary Committee, rather than the Armed Services Committee which handled the original bill.

▶ A Judiciary Subcommittee gave Rep. Hébert a hearing and seemed impressed, but has taken no action yet. Meanwhile, the Senate has taken no action on the milder bill already passed by the House. Therefore, the outlook appears to be at least cloudy, insofar as final passage this year is concerned.

In the House-passed bill, retired officers taking "selling" jobs with defense contractors within two years after retirement would be penalized only by the temporary loss of their service retirement pay. Rep. Hébert claims that many ex-officers would gladly surrender retirement pay amounting to only a few thousand dollars in order to accept high-salaried business offers.

"A high ranking officer, within 24 hours after he retired, could be right

back in the Pentagon using his influence on behalf of a contractor," Rep. Hébert argues. "As long as he was willing to give up his retirement pay, the bill would not touch him."

The Hébert amendments pending in the Judiciary Committee would change this situation drastically. Any ex-officer selling anything directly or indirectly to the Department of Defense within two years after retirement would be subject to penalties of up to \$10,000 in fines and a year in jail. The same penalties would apply to the contractor hiring him.

▶ Even if this tough version does not make the legislative grade, defense contractors will be put to a great deal of trouble by the other bill. A section entitled "Enrollment of Retired Officers Employed by Defense Contractors" not only requires the registration of such officers but requires every successful bidder for a contract to submit a full list of names of exofficers employed. The same provision would apply to subcontractors.

"Selling" is most broadly defined in both bills as "any transaction relating to selling or aiding or assisting in the selling of anything of value." Corporation spokesmen complained at hearings that this wording might be applied to employees having no real connection with negotiation of contracts.

The Pentagon's attitude is that no new legislation is required. There are already many statutes and rules applying to misconduct by ex-officers. In fact, the Army, Navy and Air Force all have varying rules or interpretations.

There is one clear moral to be drawn from the confused situation: Now is hardly the time for any defense contractor to add some celebrated officer to his payroll at a fancy price. Advocates of a tough bill could use a juicy scandal to gain passage of a new law which would hamper business.



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Data source: Sales Management's 1959 copyrighted survey

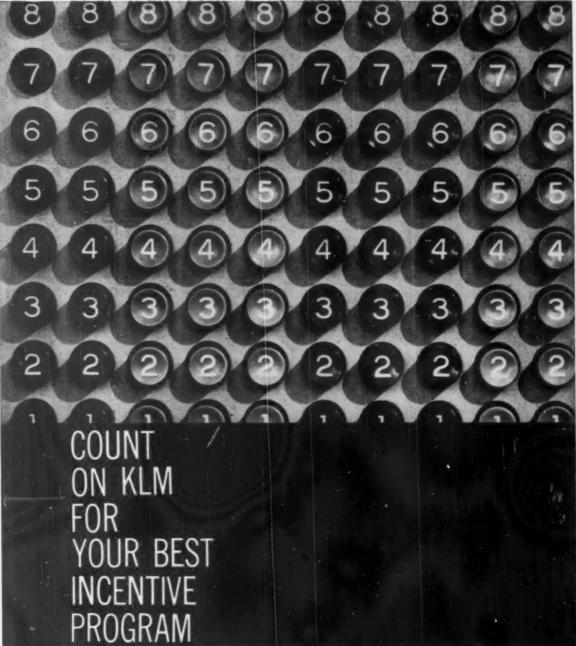
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SALES PROMOTION IDEA FILE

By LARRY SCHWARTZ, President, Wexton Advertising Agency, New York

Sales Promotion Handbook

The second annual Reference Handbook has just been published by the Sales Promotion Executives Assn., and is available at \$5.00 per copy. Consisting of 100 pages of interesting articles, helpful hints, supplier listings and ads, it covers direct mail, premiums, contests, point-of-purchase, exhibits, conventions, sales meetings, audio-visual aids, sales training, research and packaging. This association is rendering extremely important service in the sales promotion areas of marketing, and helps its members via numerous meetings, seminars and publications. For information on membership, write to Miss Ruth F. Planding, Sales Promotion Executives Assn., 389 Fifth Ave., New York.

Sailboat for Summertime Prize

In looking for an outstanding prize for a client contest recently, something that would be synonymous with gracious living, luxury and leisure, I came across a fabulous, yet inexpensive, 17 ft. 8 in. sailboat called the Silhouette Mark II. Sleek, fast and spacious, this British-built boat has a fully enclosed cabin with main and forward crowned hatches, two oversize 6 ft. 11 in. berths, cockpit that seats four, walk-around nonskid decks, roller-reefing mainsail and mast stepped in easy-tilt tabernacle. Deluxe model includes 5 hp. aircooled Vincent inboard engine, bilge pump, running and cabin lights, cockpit cover and all-chrome fittings. Regular model lists for \$1,987, and Deluxe at \$2,500. To make sure it was the right kind of prize for our contest, I took the trouble of going out to a Long Island boatyard and taking it out for a sail. I had two of my youngsters with me, and halfway home we hit a squall. The boat took the rough weather beautifully. and the kids had a wonderful time.

For full information, including the name of the nearest place where you can inspect the boat, write to Alfonse Katzman, Silhouette Marine, Ltd., 150 Spring St., New York 12, N.Y.

Dial Charts for Give-Aways

There are a number of companies which will make calculators and slide charts to solve your specific problem. Here is one which does custom work like this, but, in addition, has a full line of stock items that start at 3½

cents. All of these stock dial charts have a space for your imprint, and to many of them can be attached a calendar pad lending additional utility value.

Among the stock charts available are the following:

Profit Calculator

Dial Your Mileage

Roast Timer

Calorie Counter

Dial-A-Drink

Baby's Weight Table

Annual Flower Guide

How Your Savings Grow

Know Your Presidents

Social Security

Batting Records

Chief Justices of the Supreme Court

Catholic Fast Days

Jewish Calendar

Birthstones and Anniversaries

Stock and Bond Yield

Of equal interest to the samples of charts sent to me by the maker was the number of suggestions enclosed on how the charts might be used to promote, sales. I'd like to quote from those suggestions because they may lead to constructive activity.

Dial Charts as Direct Sales Incentives

- Store traffic-builder—place dial chart in window and offer it free to all customers.
- Pick-up for dormant accounts mail or distribute personally via salesman.
- 3. Reminder left behind by salesman after he has made a solicitation.
 - 4. Door opener.
- Gift to a customer who supplies a lead.
- 6. Direct mail gift for new prospects—mail directly to prospects; mail letter and reply card offering dial chart; mail letter offering chart to those who come in.

As a Good Will or Institutional Gift

- 1. Gift for a new account.
- 2. Annual gift to all customers.
- 3. Welcome Wagon gift.
- Premium for customers and prospects.
 - 5. Store anniversary gift.
 - Grand opening gift.
 (continued on next page)



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Randy Brown, Vice-President, Sales Sales Management 630 Third Ave., New York 17, N.Y.

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- 4. Bottle attachment
- 5. Container insert
- 6. Job estimator
- 7. Price list
- 8. Dealer aid
- 9. Product facts compendium
- 10. Production set-up guide

For samples and prices of the above, write to National Dealers Service, 129 West 22nd St., New York 11, N. Y.

Thumbnail Guide for Outdoor Ads

An ingenious guide for various forms of outdoor advertising media has been prepared by Paul A. Merkle, consultant for outdoor and transportation advertising, 139 Glen Road, Woodcliff Lake, N. J., and is available upon request. The guide lists 17 different kinds of outdoor advertising, such as 24- or 30-sheet posters, spectaculars, 3-sheet posters, car cards, vehicular spectaculars, skywriting, roadside signs, etc., and gives typical cost per thousand impressions, ways to use, major advertising value, minimum contract terms, how to buy, audience and unit size.

Free Checklist of Incentive Merchandising

Dealer incentives, sales contests, premiums, traffic stimulators, account openers, inquiry pullers, new product introducers, store openers, business gifts and awards are described in a stimulating manner in a brochure that's available upon request from George Fitterman, Sabin House, 20 West 47th St., New York 36, N. Y.

Clip-on Reminder Builds Business

Only 5 in. long and 1 in. wide, this colorful die-cut printed piece folds in the middle, so that a bottle of beer and a message are shown on each side, and it attaches like a paper clip (actually, there's a strip of Kleen-Stik at top and bottom to make it adhere) to menus, either flush with the top of the menu, or projecting out like a tab; on napkin dispensers, table lamp shades, mirrors, doors, windows, walls, waitresses' caps, waiters' aprons, etc. It can even be used as a colorful pop-up inside menus. Gains of up to 100% in sales of beer have been registered where these reminders, inscribed, "Enjoy Beer with your meal," are used. The same technique can apply to many other industries. For sample and descriptive literature, write Wisconsin Malting Co., P. O. Box 2051, Milwaukee 1, Wis.

Novel Introduction Pays off

Supersite Corp., manufacturers of automotive mirrors, safety devices and chemicals, wanted to introduce Kool-It, a gasoline engine cooling concentrate, to their 83 representatives.

At the suggestion of Irv Nissman of the Marvic Co., sales promotion specialists, Supersite sent out a night letter to each rep, telling him to be on the lookout for a special Kool-It publication. The following day what looked like a book entitled: "The Kool-It Story," arrived. Inside was a can of Kool-It, together with the product and promotion story. The rep was encouraged to keep the can in the book jacket and show it to his customers just that way. Reference was made to 100 Magic pencils that supposedly accompanied the book, but they were deliberately omitted. In addition, a P.S. on the covering letter informed the rep that a special "container unit" had been ordered for his book, to replace the Kool-It can once the season was over. The container unit" was described as holding a bottle and two gold-rimmed one-shot glasses, and was offered

The following day, Jerry Berk, president of Supersite, phoned each rep person-to-person to tell him a terrible error had been made. The Magic pencils had inadvertently been omitted from the first mailing by his reconstruct.

Thereupon the pencils were mailed, together with a peppy letter from Mr. Berk. Five days later, all reps were phoned again, and were asked if they wanted to reserve the "container

the season was over.

What with the constant communication, the apologies and the phone calls, the reps became quite enthusiastic and accounted for the best record ever made on the introduction of a new Supersite product.

unit" for inserting in their books after

For further information, and a free sample of the Magic pencil give-away that writes in four colors, write to Irv Nissman, Marvic Company, 861 Manhattan Ave., Brooklyn 22, N. Y.

Sales Promotion Idea File is a monthly review of sales-producing tools and ideas designed to stimulate the thinking of sales-minded executives. Address contributions to Larry Schwartz, c/o Sales Management, 630 Third Ave., New York 17, N. Y.

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via Eager-Beaver international service!

No delays at dockside with Railway Express! Our Eager Beavers can arrange ship transport to or from most anywhere in the world on *One Through Bill of Lading!*

And that's not all. With Railway Express, you enjoy specially reduced surface rates in the U. S. between gateways and other domestic points.

Across the ocean, by sea or air, Railway Express gives importers and exporters service no other organization can match. Next time you ship, phone Railway Express—and see!



SHORT STORY ABOUT LONG DISTANCE



"Been in town two hours . . .



haven't even seen him yet . . . can't make money this way!





Boy-am I a chump . . .



for not calling ahead . . .



by Long Distance!"

BELL TELEPHONE SYSTEM

Long Distance pays off! Use it now . . . for all it's worth!



How Britannica Sells One out of Three

Selling "knowledge" with "polite aggression," Encyclopaedia Britannica salesmen average a sale in each 3.7 presentations. EB credits constant training, and strong motivational stress.

> By G. CLAY COLE Senior Vice President, Sales Encyclopaedia Britannica, Inc.

Over the past eight years Encyclopaedia Britannica has enjoyed a 456% increase in sales—a yearly average of 57%. And we believe it's training that has done it—training that keeps managers and salesmen alike cognizant of the value of their product, and explains the why behind each sales technique used.

Out of this training program has come the satisfying average of one sale in every 3.7 presentations made (salesmen average 12 presentations per week). We have been able to hold failures to a minimum, while turning out a consistently high quality of sales personnel.

The program began to take shape

ten years ago when we had a small force of competent sales managers. At that time, we found that we needed capable local field managers in greater numbers—men who could sell Britannica themselves, recruit the right kind of men as salesmen, train them and supervise their development. Of the men coming into sales positions, those who have strong management potential often require four or more years of seasoning to prepare them for our district manager jobs—and we could not wait.

Eight years ago, when annual sales were \$12 million (1959-about \$55 million), we had a considerable number of high-caliber young men com-

ing up through the ranks, but it would have taken far too long to fill all our potential district positions with them alone. So we instituted what we call our M-I-T or Manager-in-Training Program, through which we attracted experienced and successful direct-toconsumer sales managers from closely related and similar fields. These were men who had proved their ability to "multiply themselves," and who, we felt, could be quickly adapted to our methods and product. We wanted them to qualify for Britannica district management in six months to one year through our highly specialized manager training program.

We were successful with the M-I-T



NO MANAGER GAPS—Clay Cole (left) and Chairman of the Board William Benton admire Britannica's 10-year, 600%

sales gain. Eight years ago, the company began its Manager-in-Training program to fill 100 posts—it paid off.

First

in lowa...

First in the Quad-City Area!

DAVENPORT was the FIRST city in Iowa to have a shopping center... built at a cost of over \$4 million. Now a second center representing an additional investment of over \$6 million is nearly completed.

DAVENPORT NEWS-PAPERS are the FIRST medium and ONLY newspapers to reach all customers of these centers . . . and the FIRST medium in the Quad-City Area, a market of \$535,884,000*!

*1959 Sales Mgmt. Survey of Buying Power



Represented by Jonn & Kelley, Inc. CIRCULATING DAVSNPORT AND BETT-ENDORF, IOWA, ROCK ISLAND, MOL-INE AND EAST MOLINE, ILLINOIS.

Subscriber Service

Subscribers buy more than one million pages of reprints yearly, through Sales Management's Readers' Service Bureau. In addition, RS stands ready to help you research back issues of SM on any classification of subject matter we have published. Write: Sales Management, Readers' Service Bureau, 630 Third Ave., New York 17, N. Y.

With Time out for Culture

G. Clay Cole, senior vice president in charge of sales for Encyclopaedia Britannica, began his career as a magazine salesman for Crowell-Collier at the age of 17. He was with the company for 24 years, rising through the ranks to become national sales manager.

Cole came to Britannica, as a salesman, in 1951. He rose-quickly—district manager, national sales trainer, and, in 1953,

national sales manager. In this post until 1958, he supervised the growth of Britannica sales offices from 50 to 192. He was also influential in the 300% increase in sales during this period. In April 1958 he was named vice president.

On the personal side, Cole is an avid art collector, and music devotee. His interest in interior decorating led him to design his own office in Chicago.

candidates and filled over 100 managerial gaps in our rapidly expanding national organization.

Starting with capable local management, we advanced to improving our methods of salesmen selection. Many of our best salesmen and managers have come to us with a certain amount of previous sales experience. But we found long ago that it is often far more difficult to re-educate a salesman than to create an entirely new one. We have encouraged our managers not only to select the best and most adaptable experienced salesmen, but to devote their greatest efforts to hiring and training young men without extensive sales backgroundmen we can shape to fit our pattern.

Judging a man's potential is difficult at best. Any experienced sales manager knows how many times he has bought a personality who flopped . . . how occasionally the rougharound-the-edges candidate surprisingly becomes the best man in the office. With professional assistance we developed and proved a simple motivation test which analyzes a candidate's desire in relation to his personal make-up and abilities. This test has greatly reduced our errors of selection and resultant costs.

▶ To ensure a continuous flow of future manpower development, we have been working for the last two years to establish our Britannica College Training Program. Unfortunately, few young men on the college campus today have any realistic idea of the potentials of a sales career. For this reason we are placing greater emphasis on hiring undergraduates for summer selling and part-time work during the next school year.

Often, after a successful experience with us, these young men-many of whom would never have thought of a sales career—become so enthusiastic about Britannica that they forget about their previous fields of interest. By bringing in young men with good educational backgrounds at the earliest possible time, we can ensure the strength of our future sales and managerial ranks.

There are other problems in the area of sales training. Encyclopaedia Britannica is best sold with a patterned, or pre-learned speech tailored by the salesman to the needs and interests of the individual prospect. Many top men have either never learned to memorize, or have lost the ability. To overcome a heavy initial loss of men who could not learn the presentation, we developed a visual presentation which is read aloud with the prospect.

The adaptation was not an easy one. Experienced salesmen and managers often felt foolish with it. Sometimes they were offended when asked to use it in making demonstrations in the home in front of a new man. But we are pleased with the visual presentation because of several direct results. It serves to train the new man better and faster. And it has several beneficial effects on the prospect: Visual power in itself aids the sale, the prospect's interest is held more easily, and the skeptical prospect need not take the salesman's word but has it all before him in a black and white message.

To further serve our training needs, we have set up a program of Britannica sales training films in 150 of our offices. Developed over a period of three years, at a cost of over \$100,000, the films are not merely examples of the sales presentation as it should be performed in the home, but a series of realistic situations with which the trainee—or experienced salesman for

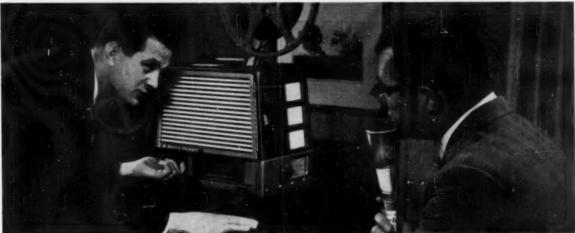
Only Bell & Howell could solve this on-the-go training program for the world's largest direct sales force!

Problem: To train new Field Enterprises representatives in the best way to sell the World Book Encyclopedia.



Step 1: At this Chicago meeting of 1,400 Field Sales Managers, Bell & Howell's Audio-Visual service helped Field management sell the idea of using a special film training program.

Then, in individual sessions, Bell & Howell worked with Field managers to determine the correct sound projectors for their needs and set up purchase or rental plans.



Step 2: In hotel rooms, homes, offices—wherever "on-the-go" Field Sales Managers could be contacted—local Bell & Howell Audio-Visual Representatives followed up after the delivery of

the Filmosound Projectors and gave instruction in their use. Only Bell & Howell, with the largest nationwide Audio-Visual network, has the manpower and coverage for such a job.

The power of Bell & Howell Audio-Visual Service can work for you, too. Let us show you how.

FINER PRODUCTS THROUGH IMAGINATION



Bell ε Howell

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Bell & Howell 7190 McCormick Road, Chicago 45, Illinois
Gentlemen: Please send me free booklet on the uses of soundfilms, in sales promotion and training.
NAME
COMPANY
ADDRESS

Sales Management June 3, 1960

ZONE___STATE_



Of Alabama's three metropolitan dailies, the Montgomery Advertiser-Alabama Journal delivers by far the most effective coverage in Central and South Alabama. The pages of Alabama's Capital City papers are the market place for the biggest-spending families in a 19 county area surrounding Montgomery.

Over 25 % of Alabama's Retail Sales

675,100 Population \$754,173,000 Effective Buying Income

Are your sales quotas and space schedule now in line? If not, better

KELLY-SMITH CO.

THE OBLY EFFECTIVE COVERAGE OF THE CENTRAL AND SOUTHEAST ALABAMA MARKET CITY SHORT ADMINISTRATION OF THE CENTRAL ALABAMA JOURNAL MORNING LYPING SURDAY

Regional Distribution Problem?

The complete range of regional market research problems can be tapped with the facilities of Market Statistics, Inc., research consultants to Sales Management. Write: Market Statistics, 630 Third Ave., New York 17, N. Y. that matter-practices his approach.

We are also setting up a series of sound slide film sales meetings in each office. These meeting packages afford the manager full opportunity to conduct his regular business with his men, and also present colorful and entertaining messages in important areas of sales psychology.

Periodic sessions are held to overcome the natural tendency to consider a salesman once trained, always trained. Even star salesmen develop bad habits or complacency. "Retraining" is used when a man, new or experienced, goes into a slump. When this happens, the district manager goes out with him on his calls in an effort to help correct the slump. He listens to the salesman and takes over the actual selling. He conducts "inside" sessions with other salesmen who have gone through similar slumps -to familiarize the man in question with the problem.

▶ To be successful our salesman must have a basic knowledge of the product, the capacity for describing its many features in an appealing and intelligent manner, and the ability to handle effectively the range of sales objections and questions brought up by the prospect. Thus, the training program emphasizes the two special needs of a product such as Britannica—the intelligent presentation of an item identified with knowledge and learning, and a politely aggressive presentation of a product for which a feeling of immediate need must be created.

A keystone of our management philosophy is the opportunity for advancement and compensation—a necessary focus in order to attract and keep the high-caliber men we want to develop.

Promotions are made purely on the basis of demonstrated ability. There are no limits of age or seniority. Five of our 19 division managers our top field executives—are in their 30's. A larger percentage of district managers are in this age group—some reaching this management level while still in their late 20's.

Britannica salesmen work on commission rather than straight salary. A new man receives 20% on sales, gets 25% when he becomes a "Salesmaster"—a steady producer.

Our compensation plan for both salesmen and managers involves a profit-sharing system, which adds to earnings of each individual, at the same time encouraging him to hold down his expenses. Field managers, to a great degree, and salesmen, to a lesser extent, control their own costs of business, receiving the remainder

of a prearranged gross profit as personal income.

In order to reduce their tax burdens, division managers may elect to be paid under a deferred income plan, in which a certain part of their income will be held until their retirement.

We can expect a moderately productive salesman to gain an income of \$10,000 or more by his second year. We have many individual salesmen in the \$25,000 bracket year after year. Our district managers average over \$20,000 after their first year and many of them have incomes of \$35,000 to \$50,000.

A further element in motivating our sales people is a well-developed program of prize and incentive contests which are conducted on a national level. We also hold division and district contests.

To cap these affairs we hold an annual awards program for outstanding performance at each level. In each Britannica division the salesman with the highest yearly sales is designated the International Diamond Pin Winner and receives a \$500 honorarium. The top national salesman wins the William Benton award—named for our publisher and chairman—which carries with it \$1,000 and nation-wide acknowledgement.

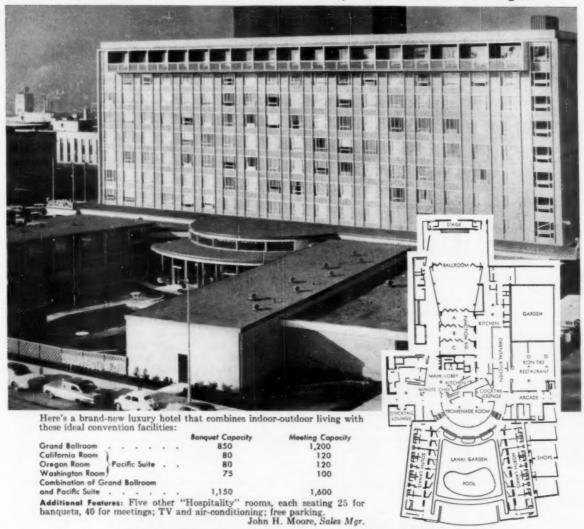
▶ Management awards are made after analysis of every phase of the manager's operations compared with known territorial potentials. Particular emphasis is placed on the strength of his manpower situation. A district manager in a thinly populated territory in Texas or Oregon may outshine managers of very large organizations in the metropolitan areas.

Beyond their needs for recognition and competition, Britannica men have the same strivings for security and family well-being found everywhere. We were among the first direct selling organization to establish group life and hospitalization insurance for independent salesmen and their families. Furthermore, our managers enjoy major medical and disability benefits, plus a retirement plan in which the man contributes 2% of monthly earnings and the company supplies the major share. We recently instituted a "Master Salesman" retirement program.

Of further aid to the salesmen is a 24% increase in our national advertising budget for the fiscal year. The major aim of the advertising, coupled with a wide range of cooperative television and local newspaper and magazine promotion and publicity, is to create a favorable atmosphere for our representatives when they call.

-PORTLAND HOTE

Lloyd Center, Portland, Oregon



the proudest name in SHERATON HOTEL

COAST TO COAST IN THE U.S.A., IN HAWAII AND CANADA

EAST

NEW YORK Park-Sheraton Sheraton-East (the Ambassador) Sheraton-Atlantic Sheraton-Russell BOSTON Sheraton-Plaza WASHINGTON Sheraton-Carlton Sheraton-Park

PITTSBURGH Penn-Sheraton

BALTIMORE Sheration Belvedere Sheration Hotel Sheraton-Clevela Sheraton-Baltimore Inn SYRACUSE Sheraton-Syracuse Inn Sheraton-Gipson PHILADELPHIA Sheraton Hotel PROVIDENCE Sheraton-Biltmore

SPRINGFIELD, Mass. Sheraton-Kimball ALBANY Sheraton-Ten Eyck ROCHESTER Sheraton Hotel

BINGHAMTON, N. Y. Sheraton Inn

MIDWEST

CHICAGO Sheraton-Blackstone Sheraton Towers DETROIT Sheraton-Cadillac

ST. LOUIS Sheraton-Jefferson

OMAHA Sheraton-Fontenelle AKRON Sheraton Hutel

INDIANAPOLIS CEDAR RAPIDS, Iowa

FRENCH LICK, Ind. French Lick-Sheraton

RAPID CITY, S. D. SIOUX CITY, Iowa Sheraton-Martin Sheraton-Warrior

SIOUX FALLS, S. D. Sheraton-Carpente Sheraton-Cataract

SOUTH LOUISVILLE

Sheraton Hotel The Watterson DALLAS Sheraton-Dallas NEW ORLEANS Sheraton-Charles MOBILE, Alabama Sheraton-Battle Ho

WEST

SAN FRANCISCO Sheratan-Palace

LOS ANGELES

PASADENA Huntington-Sheraton PORTLAND, Oregon Sheraton-Portland Hotel

HAWAH

HONOLULU Royal Hawaiian Princess Kaiula Moana Surfrider

CANADA

MONTREAL Sheraton-Mt. Royal The Laurentien TORONTO King Edward Shoraton NIAGARA FALLS, Ont. Sheraton-Brock HAMILTON, Ont. Sheraton-Connaught

Sheraton-Co ISRAEL TEL AVIV Sheraton-Tel Aviv opens January, 1961 A selection of noteworthy studies of markets, media, consumer buying trends, product and service developments that can pay aff for you.

Weekly Newspapers

Data on 8,174 weekly, semi-weekly and tri-weekly newspapers in the 50 states. The newspapers listed represent an over-all circulation of 20,974,-338. Estimated readership is in excess of 80 million. Average circulation per newspaper is 2,566. Included are mechanical data, city and county location and population, days of publication, state maps with county index, publishers' names, policy on alcoholic beverage advertising, availability of ROP color. Write Warren Grieb, General Manager, Weekly Newspaper Representatives, Inc., Dept. SM, 404 Fifth Ave., New York 18, N.Y.

The Hidden Market

The population of it is currently 3.4 million and 66% of it is male and 34% is female. During 1960-61, it will be a multi-billion-dollar market. The residents of it are buyers: 57% own automobiles; 41% own record players; 49% own typewriters; 87% own wrist watches; 78% own radios. They account for 10% of all trans-Atlantic passports, spend \$210 a year on their wardrobes, and buy cameras, golf clubs, shirts, dresses, ties, swim suits, hosiery, luggage, projectors, records and sports clothes. In fact, the average resident spends 371/2% more at retail than the average American. The population growth of this market between the fall of 1958 and the fall of 1959 was 4.4%, or an increase of 143,741 residents. The population is expected to grow an additional 10% each year from now on through 1980. This hidden market is the college market. For the full report, write Robert Vance, College Radio Corp. and College Magazines, Inc., Dept. SM, 135 E. 42nd St., New York 17, N.Y.



Canada's National Market

No. 1 fact book in a continuing series of Canadian marketing and advertising fact books, designed to provide a ready source of data for market and media planning. Included are data on retail sales and effective buying income by province; annual and monthly sales trends; retail outletssales increase and chain share; urban and rural markets; personal incomeannual trends, per capita, provincial distribution and trends; labor forcetotal employed and income trends; farm labor and income; personal expenditure patterns; expenditure trends. consumer goods and durables; city family expenditure patterns; popula-

tion characteristics; media coverage of the national market. Write Andrew I. Conduit, Advertising Director, Reader's Digest Assn. (Canada) Ltd., 44 King St. West, Toronto, Can.

Housing Uptrend

Nearly 70% of 117 architectural firms interviewed in 25 cities report that in the first quarter of 1960 they were designing as many, or more, homes as they did in the first quarter of 1959. According to the survey findings, the 117 architectural firms are designing 10,460 houses now, or 30.6% more houses than they were designing in the comparable 1959 period. Of the 117 firms interviewed, 43.8% report that they expect to design more houses in 1960 than they did last year. Another 18.8% expect to be just as active in 1960 as they were in 1959. Only 27.4% expect to design fewer homes in 1960. Write Blake Hughes, Promotion Manager, Architectural Record, Dept. SM, 119 W. 40th St., New York 18, N.Y.

Business from the Farmer

This report discloses that the gross income of all farm families was more than \$46.3 billion in 1959 - second largest in history. Farmers' 1959 average gross income was 50% above average for all U.S. families: average farm family, \$9,978; average U.S. family, \$6,470. Current operating expenditures hit a new high in 1959: total for all farms. \$26 billion; average per farm, \$5,604. The total spent by all farms for equipment and construction in 1959 was \$4.9 billion; average per farm, \$1,050. Total assets of farmers now reach \$208.2 billion. Other data: gross income, all farms, all sources, for the past 20 years; gross income per farm, all sources, for the past 20 years; growth in farm assets per farm. Write Donald F. MacClemmy, Promotion Manager, Farm Journal, Dept. SM, 230 West Washington Sq., Philadelphia 5. Pa.

Sales Aids from Advertisers

Have you written for these booklets or samples described in recent advertisements in Sales Management?

Related State Farm Papers: Information about how you can reach the farmer best through his own state farm paper. Pennsylvania Farmer, Dept. SM, Harrisburg, Pa.

Distribution of Goods: A plan for shipping large quantities of goods to distributors for a ready supply of merchandise and still retaining control of the goods. American Express Field Warehousing Corp., Dept. SM-F-7, 65 Broadway, New York 6, N.Y.

Packages for Profit: Details on how aerosol packaging can increase your sales without major capital investment. Includes marketing and technical data. E. I. du Pont de Nemours & Co., Inc., "Freon" Products Division, Dept. 2420N-SM, Wilmington 98, Del.

Visual Presentations: Details on how to prepare them. National Studios, Dept. SM, 44 W. 48th St., New York 36, N.Y.

Marketing Assistance Program: How special skills and facilities in marketing research can help you get better results from your advertising. Chilton Publications, Chilton Co., Dept. SM, Chestnut and 56th Sts., Philadelphia 39, Pa.

The Golden Touch: How you can add spark and excitement to your promotions with 24-karat gold transfer foil. Grauert of Gold Street, Dept. SM, 100 Gold St., New York 38, N.Y.

Slide-Charts: How they can work for you by putting essential facts about your product at the fingertips. Includes 122 case histories. Perrygraf Corp., Dept. SM, 1500-C Madison \$t., Maywood, Ill.

Advertising Gifts: A new catalogue which contains details on "at-a-glance" products which remind your customers of you and your services. Nascon Products, Dept. SM, Specialty Division, 475 Fifth Ave., New York 17, N.Y.



Plan your summer vacation now at New York's Summer Festival. Fly *Capital* to New York this summer at the lowest fares ever offered! Save 25% on first class, 18% on Cardinal Coaches. That's less than it costs

to drive! What's more, Capital's Summer Festival Vacation Plan includes hotel rooms, theatre tickets, sight-seeing...all at the lowest possible rates! Call your travel agent or the Capital office nearest you.

Are Your Volume Discounts Illegal?

(continued from page 37)

To clean up the situation without making whipping boys out of any individual firms, the Commission offered 22 major battery sellers the opportunity to agree to stop misrepresenting battery guarantees. Twenty-one agreed to abide by the FTC demand; the 22nd refused and was charged, almost immediately, with deceptive advertising of guarantees. months later, after bad publicity and great expense, the company gave in.

This trend toward more equitable dealing with companies within industries beset by a particular malpractice is most welcome. And, now, if the old volume discount is going to be scrutinized and challenged as never before, marketers can hope the FTC relies as much as possible on the industry-wide type of treatment where it is called for. •



". . . Let's skip the negotiations and get right down to discounts . . ."

66 Companies Now Fighting Price Discrimination Charges

Sixty-six companies are today involved in FTC actions charging price discrimination, often as a direct result of volume discounts. Here is a listing of the companies, in chronological order according to the date of the FTC complaint:

Pure Oil Co.

Texas Co.

National Dairy Products Corp.

Rural Gas Service, Inc.

Fred Bronner Corp.

Moore Business Forms, Inc.

Uarco, Inc.

Admiral Corp.

Borden Co.

International Milling Company

Forster Mfg. Co., Inc.

Tri-Valley Packing Assn., Inc.

American Motors Corp.

American Metal Products Co.

Bigelow-Sanford Carpet Co., Inc.

Mohasco Industries, Inc.

Hat Corporation of America

Schulze & Burch Biscuit Co.

Pacific Molasses Co.

Southwestern Sugar & Molasses

Foremost Dairies, Inc.

Cannon Mills Co.

Idaho Canning Co. (Ltd.)

Mueller Co.

Thompson-Hayward Chemical Co.

Sperry Rand Corp.

American Ball Bearing Co.

Beatrice Foods Co., Inc.

Dayton Rubber Co.

Huber Baking Co.

Continental Baking Co.

Magee Carpet Co.

C. H. Masland & Sons

Firth Carpet Co.

Cabin Crafts, Inc.

James Lees & Sons Co.

Albert Ehlers, Inc.

Beattie Manufacturing Co.

Callaway Mills Co.

Roxbury Carpet Co.

Philadelphia Carpet Co.

A. & M. Karagheusian, Inc.

Borg-Warner Corp.

Elmer Candy Co., Inc.

Perfect Equipment Corp.

Sunshine Biscuits, Inc.

H. P. Hood & Sons, Inc.

Northeast Capital Corp.

Austin Packing Co.

New England Confectionery Co.

Mason, Au & Magenheimer Conf.

Mfg. Co., Inc.

Robert A. Johnston Co.

Frank G. Shattuck Co.

General Natural Gas Corp.

Kelly Creamery Co.

Alfonso Gioia & Sons, Inc.

Kolstad Canneries, Inc.

Joseph A. Kaplan & Sons, Inc.

Chemway Corp.

United Biscuit Co. of America

Byer-Rolnick Hat Corp.

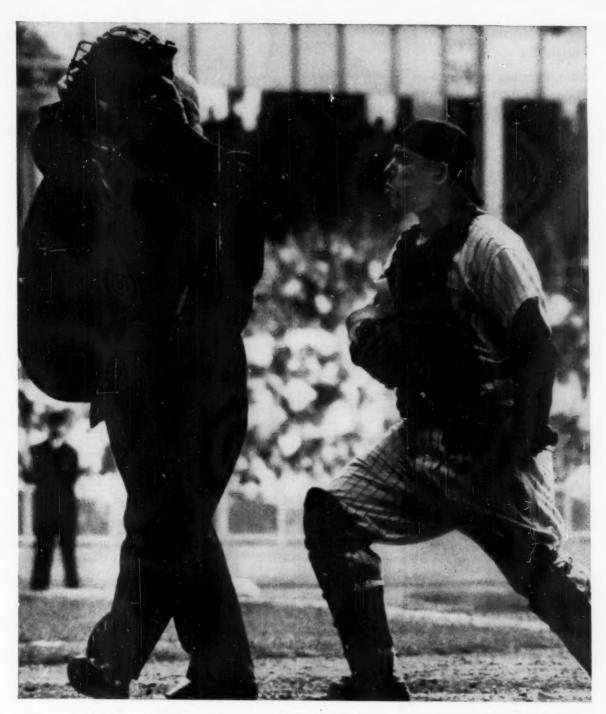
Cutter Laboratories

Purolator Products, Inc.

Gojer, Inc.

Perfection Gear Co.

Ponca Wholesale Mercantile Co.



"To me, LIFE is a front-row seat that puts me up close to exciting happenings." Only LIFE is so many things to so many people. Something special to each one.



Photo by LIFE staff photographer Grey Villet. Named Magazine Photographer of the Year in 1956 for stand-out candids, he chose this photo to show, what to him is LIFE's great ability: "Giving you a front-row seat."

VENDING:

From Peanuts to Panties (continued from page 42)

open it), and pour it into a container (paper, aluminum or plastic), should enjoy a quickly rising sales curve.

12. Are super markets using automatic merchandising?

Thus far U.S. super markets have adopted automatic merchandising only on a limited scale. Some have machines which dispense cigarettes and other "staples." There has been much talk of, but up to now very little

action on, the potentialities in roundthe-clock dispensing outside stores. (Outdoor vending has long been widespread in Europe.)

Most interesting development along this line is Grand Union's 35-ft. long vending unit built into the front wall of the company's headquarters building at East Paterson, N. J. It includes a change-making machine and equipment which dispenses dairy items and assorted groceries, including coffee,

cereal, canned goods, bread, sugar, eggs and baked goods. It provides 24-hour-a-day facilities and, according to information given by the company to Sales Management, it has been a success since its installation in 1957. Weather changes are reported not to hamper operation of the machines.

The Independent Grocers Alliance recently announced that it will set up an all-vending-machine operation in a densely populated section of Chicago some time this year. A pilot operation in an IGA store in Wichita, Kansas, proved successful enough to justi-

fy extension of the plan.

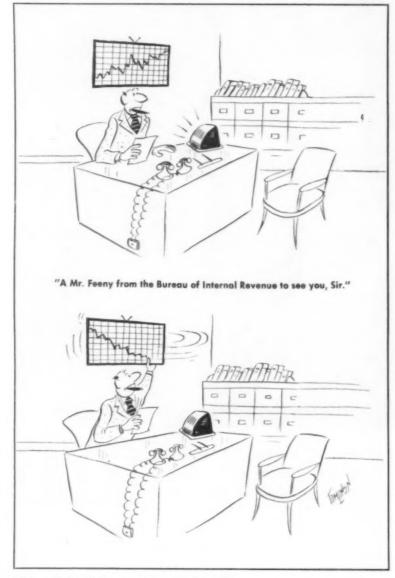
Automatic merchandising in chain stores has had a complicated and somewhat checkered past. But with modern advances in equipment, and with manufacturers who are interested in building sales and issuing "growth" stocks, the past is far different from the present and the foreseeable future. Chains have often been reluctant to discuss their automatic machine installations, but now Grand Union reports good customer satisfaction with its outdoor installations. There are many kinds of merchandise which customers like to handle and view from all angles this is often a drawback to vending machines in retail stores. However, as the public continues to demand more flexible hours for shopping, many stores, and especially super markets, will adopt automatic merchandising on a wider scale. (Note description of Macy's installation on page 40.)

13. What is being done about change making and behind-the-scenes coin handling?

There has been considerable progress along these lines. The NAMA directory lists about 40 firms under such headings as Coin Changers, Coin Chutes, Coin Counters and Sorters, Coin Dispensers, Coin Meters, Coin Wrappers. Among leaders in this group are ABT (Division of Atwood Vacuum Machine Co.) and National Rejectors, Inc., each of which offers a bill-changing machine. Coin and bill changers play an important role in stimulating sales of vended merchandise.

14. What is the attitude of the unions toward automatic merchandising? And is it true that the "coin machine industry is infested with underworld characters," as The New York Times (March 31) quoted Senator John L. McClellan as saying?

Spokesmen for the automatic merchandising industry claim that the infiltration of racketeers has been al-



ADV. DEPT. WALL STREET JOURNAL 44 BROAD STREET NEW YORK 4, N. Y. Please send me case histories of results obtained by Wall Street Journal advertisers in the indicated classification(s) of business: ADV. AGENCIES Advertising in The Wall Street Journal ☐ AIRCRAFT gets results. Who says so? Advertisers say ☐ BUILDING & MAINTENANCE so. In every classification of business, ad-☐ CHEMICALS - ENGINEERING & CONSTRUCTION FINANCIAL vertisers testify that The Journal produces more inquiries, more conversions, more direct sales. FRANCHISES & DISTRIBUTORSHIPS TRAVEL & RESORTS ☐ HOTELS AND RESTAURANTS INDUSTRIAL SITE T INSURANCE MACHINERY Why not examine their first-hand state-MAIL ORDER ments at your leisure? Learn how and MANAGEMENT why this only national business daily brings CONSULTANTS more life to your advertising dollars, enables MANUFACTURING, MISC. you to get more action out of a budget-☐ METALS whether your budget is large or small. Just OFFICE EQUIPMENT check the appropriate box or boxes in the RETAIL & CONSUMER adjacent column and mail the coupon to-☐ TRANSPORTATION YOUR NAME: day. You will receive helpful, documented information about where you, too, should be advertising to reach and sell the cream ADDRESS: of the American business market. WALL STREET JOURNAL Advertising Sales Offices: Atlanta • Birmingham • Boston • Chicago • Cincinnati • Cleveland • Dallas Detroit • Houston • Kansas City • Los Angeles • Marni • Minneapolis • Milwaukee • New York City Philadelphia • Pittsburgh • Rochester • San Francisco • St. Louis • Seattle • Washington, D. C.

VENDING:

From Peanuts to Panties (continued)

most entirely confined to the jukebox and pinball businesses, which are not, properly speaking, a part of the automatic merchandising field. "If you check the record of the McClellan hearings, you would find that only 1 out of 58 items deals with a single instance of rackeeting influence in cigarette vending." This problem has been limited, they say, to isolated, big-city areas. Most of the industry growth is now in industrial in-plant feeding operations, they point out—in companies that would not tolerate a racketeering influence.

The unions have, in some cases, organized the manufacturing and operating companies in automatic merchandising, as they have organized other fields. But, says the industry, there is no evidence that they have hindered the expansion of vending machines. On the contrary, they like them and want more of them.

"The unions have made great demands for the installation of the machines, to improve the food and refreshment service in plants," says a spokesman. (In some instances, management turns over the profits from the machines to the employee funds, a practice much favored by the unions.)

Occasionally, says the industry spokesman, it is said that automatic merchandising is a threat to the retailer, and, indirectly, to his employees. "But this is not so, since automatic merchandising does not replace the personal service that the retailer can give. Its entire expansion has been in the merchandising of goods which would otherwise not have been sold or bought; and automatic retailing thus has opened up additional channels for goods rather than replaced or hindered existing ones."

15. Who are the leaders in the vending machine industry?

There have been so many recent changes, all in the nature of expansion, that it's hard to keep up with the leaders. The trend is toward acquisitions, mergers, consolidations, between manufacturers and also between operators. There is some doubling of functions—that is, a company will both manufacture machines and install and service them, but this is the exception.

Largest in the field is Automatic Canteen Co. of America, whose 1959 sales were \$140.5 million, up almost 9% from fiscal 1957. The company is said to be the nation's largest customer for Pepsi-Cola syrup and fourth among mass cigarette buyers. Though an operating plant, Automatic Canteen is also a manufacturer, by virtue of its subsidiary, Rowe Manufacturing Co., one of the nation's largest cigarette machine makers.

The single largest machine manufacturer is Vendo Co., of Kansas City, which has recently joined the ranks

of other members of the industry whose stock is listed on the New York Stock Exchange.

That this segment of the industry is growing is evident from the fact that so many of its members are now listed on stock exchanges. This was pointed out by G. R. Schreiber, editor and publisher of Vend magazine, who said that, "Until recently, the industry [had been] dominated by entrepreneurs, partnerships and corporations whose stock was owned by one or two families." Five firms in the field now have their stock traded on the New York Stock Exchange: ABC Vending Corp.; Automatic Canteen Co. of America; U.S. Hoffman Machinery Corp.; Universal Match Corp.; and Vendo Co. Traded on the American Stock Exchange is the stock of Continental Industries, Inc., and The Seeburg Corp. Traded over-the-counter is the stock of Glasco Corp., Automatic Merchandising Corp. of Florida, Automatic Retailers America, Inc., and the G. B. Macke

16. Where are the best chances for success for outsiders wishing to capitalize on the growing trend toward automatic merchandising?

In the opinion of Thomas B. Donahue, president of NAMA and executive vice president of National Vendors, Inc. (subsidiary of Universal Match Corp.), packaging offers best opportunities. "There is a pronounced need for better and more varied methods of packaging, including some of the revolutionary approaches which packaging specialists have applied to the needs of other industries," he told SM. "Vending companies [operators] complain that packaging experts have yet to discover this wide-open field which is crying for their talents—it's a field that is not only large but growing."

17. What are the prospects for the entire vending machine industry within the next few years?

The industry has attained its greatest growth within the last decade. Observers believe that its rate of growth will be accelerated, now that those with a stake in it have begun to pool their resources for the common good. Closer cooperation among makers of machines and component parts, suppliers, operators, packaging firms and others will probably come to pass; and this should help to iron out the kinks of the industry. The nation's over-all acceptance of automation and the trend toward self-service also point the way toward increased selling through machines. •

A Good Job for Someone

Sales Management wants to hire a good man.

We are looking for a man who knows his way around in Sales Management's Surveys of Buying Power. He knows how to interpret the statistics in the Survey so that they have real meaning to sales executives who use them to select markets, to choose media, and to plan manpower requirements, to name just a few applications.

The man we have in mind also has a flair for writing. By his choice of words, this man demonstrates his ability to make statistical conclusions exciting to sales executives, some of whom may think they are not particularly interested in statistics.

You would do us a favor if you steer this kind of man to Sales Management. And we believe you would be doing yourself a favor, too.

PHILIP SALISBURY Editor Sales Management 630 Third Avenue New York 17, N. Y.

RAMBLER The

Compact Car With <u>Proven</u> Fleet Experience



- ★ PROVEN in the Service of Major Car Rental Agencies
- ★ PROVEN in the Service of Major Utility Users
- ★ PROVEN in the Service of Major Sales and Service Fleets
- ★ PROVEN in the Service of Governmental Fleets
- ★ PROVEN by 10 Years' Experience and 25 Billion Owner-Driven Miles



It's good business to switch to

RAMBLER

SAVE On First Cost

SAVE On Operating and Maintenance Costs

SAVE With Top Resale

119

FLEET LEASING ARRANGEMENTS AVAILABLE

If your firm leases fleet units, ask your leasing company for low Rambler rates or write us for the names of available leasing companies located in your area. Write or Wire

FLEET SALES DEPARTMENT DEPT. L-63

AMERICAN MOTORS CORP.

14250 Plymouth Road, Detroit 32, Michigan

America's Most Experienced Builder of Compact Cars

Sales Management June 3, 1960

640,079*
HIGHEST SUNDAY CIRCULATION

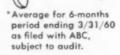
ever reached by a Michigan Newspaper!

480,673*
HIGHEST WEEKDAY CIRCULATIO
IN DETROIT NEWS' HISTORY!

Detroit Means BUSINESS
Business Means THE NEWS!

The Sunday Detroit News has hit the highest circulation peak ever reached by a Michigan newspaper—and has made the greatest gain of any Michigan newspaper in so short a period (October to March). Weekdays, The News has climbed to the highest circulation in its history.

In the 6-county trading area, The Detroit News leads all other papers substantially. That's why The News continually carries more advertising than both other Detroit newspapers combined.



The Detroit News

Marketing Outlook for July

By DR. JAY M. GOU.D, Research Director Sales Management and Its Survey of Buying Power

- The Sales Management monthly Index of Business Activity will register a 3% gain in July over July 1959. This is a composite index, reflecting a wide range of divergent indicators. At the favorable end of the spectrum, personal income is expected to be running about 5% or 6% ahead of last year's. At the other extreme, the FRB Index of Industrial Activity is expected to slip back to about 107 (1957=100) this July—compared with the peak of 111 reached in January—as steel and auto output schedules slacken in a month in which vacation and shutdowns normally exert a downward pull.
- ► Retail sales fall in the middle range. For the first four months of the year sales have been running 4.4% ahead of 1959 sales. It is significant that the durable goods component has been lagging: Automotive sales in this period are up by only 3.9%, the furniture and appliance group is up

In response to reader demand, we are restoring the estimates of monthly retail sales to our Business Activity Forecast feature, after several months' omission. The sales estimates used here are based on revised monthly totals and will be consistent with the annual estimates in the 1960 SURVEY OF BUYING POWER to be published July 10.

by only 1.8%, while lumber, building, hardware and farm equipment actually declined by 3.4%. This is a reversal of the 1959 picture, when hard goods somewhat outpaced soft goods and semi-durables.

▶ Hard goods generally lag in periods when people decide to defer purchase of big-ticket items. Actually, the lag in hard goods goes back to 1955. Thus expenditures since 1955 have gone up only 8.5% for hard goods, 18.5% for soft goods and 30.4% for services.

37 Best Markets for JULY

(Top six cities by population groupings) U.S. Index: 100

The following cities have a common denominator. They are expected to exhibit business activity leadership in the coming month. The index opposite each city compares its performance with that of the nation as a whole. For example, if a city has an index of 106.9 it means that its business activity next month is forecast to lead the national average change by 6.9%. Canadian figures are compared with U.S. Detailed figures are on following pages.

Cities Over 500,000

San Diego, Cal	111.1
Philadelphia, Pa.	106.7
Dallas, Texas	. 105.3
Detroit, Mich.	. 105.1
Pittsburgh, Pa.	103.1
Milwaukee, Wis.	103.0
Seattle, Wash.	103.0

Cities 250,000-499,999

Memphis, Tenn.	106.7
Honolulu, Hawaii	105.8
Toledo, Ohio	104.7
Portland, Ore.	104.0
Newark, N. J.	103.3
Dayton, Ohio	101.8

Cities 100,000-249,999

Waterbury, Conn.	117.5
Lubbock, Tex.	111.3
Sacramento, Cal.	110.4
Fresno, Cal.	110.4
Wilmington, Del.	108.5
Phoenix, Ariz.	106.7

Cities 50,000-99,999

Kenosha, Wis.	112.0
Las Vegas, Nev.	
Greenville, S. C.	
Reno, Nev.	
Portland, Me.	
Muncie, Ind.	

Cities Under 50,000

Cheyenne, Wyo.	. 115.4
Rome, N. Y.	
Sheboygan, Wis.	
Lafayette, Ind.	
Eugene, Ore.	
Flyria Ohio	

Canada

Victoria, B. C.			110.6
Hamilton, Ont.			108.5
St. John, N. B.			
Regina, Sas.			104.6
Calgary, Alberta			
Montreal, Que.			

121

Business Activity Forecast

The Marketing Value of Business Activity Forecasts

Business activity levels are projected two months ahead for 306 U.S. and Canadian cities as a guide to the marketer on where his sales efforts might pay the biggest dividends. Cities marked with a ★ are Preferred Cities of the month. They have a level of activitycompared with the same month in 1959 -which equals or exceeds the national change in business activity.

The business activity forecasts are measured primarily by the ebb and flow of bank debits, seasonally adjusted, and reflect sales, purchases, employment, wage levels in all segments of businessretail, wholesale, industrial, service, construction, farming, etc.

The first column of the accompanying tables indicates the number of months out of the past 24 in which a city has had a star to indicate a better than average performance. When a full 24-month period of back data are not available, the city's record is indicated as follows: 8/11 would mean that a city has had 8 starred months out of the past 11. The 11 indicates the total number of months for which data are available.

The second column indicates the index

of change for this month of 1960 versus the corresponding month of 1959.

The third column (the city-national index) relates the annual change in the index of the city's business activity to that of the U.S. Thus, a city-national index of 106.0 indicates that the city is enjoying a gain in business activity 6% greater than the U.S. average.

The fourth column is an estimate of expected retail sales for the second month ahead. While the dollar volume applies only to retail store sales it is also useful as an approximation of the relative importance of one city as compared with another on all of the elements that make up its economic pattern.

Suggested Uses

- * Special advertising and promotion drives in spot cities.
- ★ Picking cities for test campaigns.
- * Revising sales quotas for branches, districts and salesmen.
- ★ Checking actual performances against potentials.
- * Basis for letters for stimulating sales-
- ★ Forestalling salesmen's alibis.

BUSINESS	No. 4	City	City Nat'l	Retail
ACTIVITY	Months Out of	Index	Index 1960	Sales
FORECAST	Past 24	1959	1959	(Million) July

UNITED STATES

103.0 100.0 18882.00

NEW ENGLAND

Cities Over 500,000

★ Boston, Mass 18 103.2 100.2 124.04

Cities 100,000-249,999

Bridgeport, Conn	0	100.8	97.9	23.10
Hartford, Conn	0	98.9	96.0	30.18
* New Haven, Conn	6	103.9	100.9	23.76
* Waterbury, Conn	13	121.0	117.5	17.87
Fall River, Mass	5	97.3	94.5	10.15
★ New Bedford, Mass	7	104.6	101.6	11.85
A Springfield, Mass	12	103.4	100.4	23.54
* Worcester, Mast,	1	103.4	100.4	24.45
Pawtucket-Central				
Falls, R I 0	/21	96.9	94.1	9.74

Pittsfield. Mass. Tops for Profits

Tops in Business Activity in Mass. and N.E.

Sales Management's measurement of Business Activity for June shows Pittsfield first in New England among cities in the 50-100M population group . . . first among all Massachusetts cities , . . third among all New England cities, A "starred" city 16 of the past 24 months. June activity 7.8% above the national trend.

Tops in Newspaper Selling Power

The Berkshire Eagle has been a state leader in retail linage—1st in Mass. for 11 yrs. out of 15-including 1959! Year after year has packed the strongest sales wallop in the state.

Tops in Reader Attraction

The Eagle's reputation as one of the best read newspapers in the country is emphasized again in the latest N. W. Ayer awards for typography, make-up, printing. The Eagle won third place in the 10,000-50,000 circulation groupout of 393 entries.

NOW ACCEPTING LIQUOR ADVERTISING!

The Berkshire Eagle

PITTSFIELD, MASSACHUSETTS

99.6% Coverage of City and Retail Trade Area

Represented by The Julius Mathews Special Agency, Inc.



HARD-HITTING!

That's your sales impact in Woonsocket, RI! More than 2000 new jobs created by 21 new industries, and an EBI of \$6,158 per household* make this your topspending market buy! Hit hard here with The Call, covering 98% of this 64,596 ABC City Zone.

* SM '60 Survey

WOONSOCKET

COVERS RHODE ISLAND'S PLUS MARKET

Representatives: Johnson, Kent, Gavin and Sinding, Inc.



Affiliated: WWON, WWO

for July

BUSINESS	No. w	City	Dity Nat's	Retnii
ACTIVITY	Months Out of		Index 1960	Sales
FORECAST	Past 24	1959	1959	(Million)

★ Providence, R. I. ___ 12 103.1 100.1 31.53

Cities 50 000.00 000

Cilles 30,000-77,7	2	7		
* Meriden-Wallingford,				
Conn 1	0	103.6	100.6	8.68
* Stamford, Conn 1	7	110.8	107.6	14.95
Lewiston-Auburn, Me.	6	102.5	99,5	7.82
* Portland, Me 1	5	112.0	108.7	14,50
Brockton, Mass, 1	9	97.1	94.3	9.15
Holyoke, Mass, 1	4	101.4	98.4	7.38
Lawrence, Mass 1	1	102.8	99.8	9.56
* Lowell, Mass 1	3	104.2	101.2	10.97
★ Lynn, Mass1	1	103.8	100.8	10.85
rittsfield, Mass 1	7	110.1	106.9	8.68
* Manchester, N. H 1	2	103.5	100.5	12.52

Cities Under 50,000

* Middletown,	Conn.	5	106.0	102.9	4.43

★ Woonsocket, R. I. ... 17 108.5 105.3 5.90

ONLY the RECORD and JOURNAL



COVER Meriden • Wallingford, Conn.

It's growing like crazy, and you can cover it like a tent: Meriden-Wallingford Effective Buying Income, now topping \$200 million, a 29% increase over last year*!
Per-household income is \$8,286, for households you'll ps.zee, for nousencids you'll reach only with Record and Journal 97%, market cover-ege. No Hartford or New Haven ABC daily paper has over 400 circulation here.

*SM '60 Survey

RECORD and JOURNAL

Meriden . Connecticut National Representatives: JOHNSON, KENT

GAVIN & SINDING, INC.

Portland, Maine market

rated first* for testing among U. S. cities in 75,000 to 150,000 population group.

rated sixth* for testing among all U.S. cities due to stable economy.

*according to Sales Management

rated second* for testing among all New **England** cities regardless of population.

the testingest market in the country. gives first aid to new products

Source: SALES MANAGEMENT

SHELL is the latest in a distinguished line of products and services to select Portland, Maine as best for the

Other products recently tested in Northern New England's No. 1 market are Cornette Margarine, Dawn Soap, Libby's Beef Stew, 3 Little Kittens Cat Food and many others.

Do what others do! Make Portland, Maine your No. I test city. Write for details. Then, you'll be sure to select the market that guarantees ideal and economical testing conditions.



Portland, Maine Newspapers EVENING EXPRESS PORTLAND PRESS HERALD EVEN SUNDAY TELEGRAM

Business Activity

BUSINESS	No. *	City	City Nat'l	Retail
ACTIVITY	Months Out of	Index 1960	Index 1980	Sales
FORECAST	Past 24	1950	1959	(Million) July
New London, Conn.	. 11	97.7	94,9	5.96
Norwich, Conn	. 1	100.0	97.1	5.35
* Bangor, Me	_ 14	103.1	100.1	6.78
* Salem, Mass,	_ 22	106.2	103.1	7.78
* Nashua, N. H	_ 23	104.8	101.7	5.27
* Newport, R. I	_ 17	106.5	103.4	3.53
# Burlington, Vt	_ 22	105.7-	102.6	6.17
Rutland, Vt	. 1	100.7	97.8	3.25

MIDDLE ATLANTIC

Cities Over 500,000 * Hempstead Township, N. Y. ___ 24 105.0 101.9 _113.62 ★ New York City, N. Y. 11 105.6 3 102.5 926.72 ★ Philadelphia, Pa. ... 19 109.9 106.7 * Pittsburgh, Pa. 8 106.2 103.1

Cities 250,000-499,999

Jersey City-Hoboken, N. J. 13 102.9 99.9 28 42 * Newark, N. J. 17 106.4 103.3 * Rochester, N. Y. 11 103.4 100.4 51.15

Cities 100,000-249,999 ★ Camden, N. J. ____ 16 109.6 106.4 17.69 BUSINESS ACTIVITY FORECAST

# Elizabeth, N. J 17	109.7	106.5	15.92
Passaic-Clifton, N. J. 9	97.5	94.7	18.64
Paterson, N. J 9	97.5	94.7	18.10
* Trenton, N. J 11	103.7	100.7	18.86
* Albany, N. Y 11	104.6	101.6	21.45
Niagara Falls, N. Y., 2	100.0	97.1	12.44
Syracuse, N. Y 5	98.7	95.8	31.80
Utica, N. Y 2	102.6	99.6	13.77
* Allentown, Pa 11	104.0	101.0	17.86
* Erie, Pa 8	107.7	104,6	18.46
Reading, Pa 0	102.9	99.9	15.30
Scranton, Pa 4	95.9	93.1	13.88

Cities 50,000-99,999

	Atlantic City, N. J	11	102.7	99.7	12.66
	Binghamton, N. Y	8	98.1	95.2	11.66
	Elmira, N. Y	0	102.4	99.4	8.43
	Schenectady, N. Y	1	100.1	97.2	12.75
	Troy, N. Y	4	97.5	94.7	8.81
	Altoona, Pa	6	100.6	97.7	7.48
	Bethiehem, Pa	0	97.4	94.6	7.65
	Chester, Pa	17	101.5	98.5	8.63
	Harrisburg, Pa	11	99.3	96.4	17.08
	Johnstown, Pa	0	101.2	98.3	10.19
k	Lancaster, Pa	11	104.6	101.6	11.20
	Wilkes-Barre, Pa,	4	97.5	94.7	9.90
k	York, Pa	11	104.9	101.8	11.73

BUSINESS ACTIVITY FORECAST

Cities Under 50,000 Jamestown, N. Y. ... 0

97.2 94.4 * Poughkeepcie, N. Y. 15 107.8 104.7 9.25 ★ Rome, N. Y. 6 110.7 107.5 6.01 * Hazleton, Pa. 3 103.5 101.5 4.45 ★ Norristown, Pa. ____ 24 106.1 103.0 6.09 Oil City, Pa. 0 100.1 97.2 2.47 ★ Sharon, Pa. 7 103.5 100.5 4.72 Williamsport, Pa. ... 0 98.6 95.7 7.23

EAST NORTH CENTRAL Cities Over 500,000

★ Chicago, III. 103.2 100.2 506.46 ★ Detroit, Mich. 11 108.3 105.1 Cincinnati, Ohio ... 3 102.7 99.7 78.52 ★ Cleveland, Ohio 11 105.4 102.3 136.36 ★ Milwauker, Wis, 18 106.1 103.0 104.20

Cities 250,000-499,999

96.8 78.59 Indianapolis, Ind. ... 16 Akren, Ohio 9 100.4 97.5 38.31 Columbus, Ohio 10 96.1 93.3 64.48 ★ Dayton, Ohio 12 104.9 101.8 49.63 ★ Toledo, Ohio 10 107.8 104.7 44.5R

Cities 100,000-249,999

East Moline, III. __ 15 103.4 100.4 14.66

New London Power-to-Buy Surges Ahead!

Latest figures show a big jump in average household Effective Buying Income in New London: \$8057 . . . a \$551 increase over 1959!*

Your Connecticut sales will jump too, with just one buy: The Day, New London's only local daily, covering 98% of this 61,547 ABC City Zone!

* SM '60 Survey

NEW LONDON, CONNECTICUT National Representatives: Johnson, Kent, Gavin & Sinding, Inc.

One . . . two . . . three

. . . TESTING In ALTOONA

"Test-Town," Pa.

Here's the ideal test market for your product and advertising campaign, in a well-isolated market with typical distribution outlets. Income is average, and the economy is proportionately balanced between industry and agriculture. Outside media don't even dent this typical test city, where one dominant daily newspaper is the basic source of buying information. The Altoona Mirror, a cooperative evening newspaper completely blankets the city with 98% coverage, and reaches 3 out of 4 homes in Blair County. Total circulation is 33,211 (ABC).

TEST BEST IN ALTOONA IN THE

Altoona

Altoena Pennsylvania's Only Daily Newsnanes RICHARD E. BEELER, Adv. Mgr.

THIS Is Eastern Connecticut

49,200 Families Spending an Average of

\$1,214 for FOOD

That kind of food-buying-\$232 above the U.S. family average-rates a direct advertising approach. Fringe circulation can't deliver it. Schedule the Bulletin, only primary circulation in this \$59,742,000 grocery mar-

Norwich Bulletin

DAILY and SUNDAY NORWICH, CONN.

Week Days 27,035

Sundays 23,063

Represented by The Julius Mathews Special Agency, Inc.

Business Activity FORECAST

City Nat'l Betail

BUSINESS

ACTIVITY	Honths Out of Past	1900	1960	Sales
FORECAST	24	1950	1959	Hillion) July
Peoria, III	_ 2	96.1	93.3	18.28
* Rockford, III	_ 8	106.0	104.9	21.15
Evansville, Ind	_ 0	95.3	92.5	16.00
* Fort Wayne, Ind	_ 14	103.9	100.9	25.32
# Gary, Ind	_ 13	106.9	103.8	21.75
# Hammond-East Chica	ago,			
Ind	5/15	103.3	100.3	21.05
South Bend, Ind	- 6	98.1	95.2	18.02
Fint, Mich	_ 14	101.5	98.5	30.48
* Grand Rapids, Mich.	. 9	105.4	102.3	31.85
* Lansing, Mich	_ 8	104.9	101.8	21.00
* Royal Oak-Ferndale,				
Mich.	_ 4	104.0	101.0	17.95
* Saginaw, Mich	8	105.6	102.5	15.89
* Canton, Ohio	_ 12	106.3	103.2	19.28
Youngstown, Ohio .	. 4	100.5	97.6	26.04
Green Bay-Appleton				
Neenah-Menasha,				
Wit	4/24	100.0	97.1	19.77
* Madison, Wis	14	105.4	102.3	18.36

BUSINESS ACTIVITY FORECAST

No. & Months Out of Past 24		City Nat's Index 1960 vs. 1959	Retail Sales (Million July
--------------------------------------	--	---	-------------------------------------

Decatur, III, 0	96.4	95.5	12.48
East St. Louis, III 3	95.4	92.6	10.00
Springfield, III, 14	96.4	93.6	15.42
* Muncie, Ind 11	111.9	108.6	10.19
* Terre Haute, Ind 5	105.9	102.8	11.99
Battle Creek, Mich. S	97.1	94.3	9.13
* Bay City, Mich 2	104.5	101.5	8.64
# Jackson, Mich, 12	105.7	102.6	10.45
Kalamazoo, Mich 10	94.1	91.4	13.98
* Muskegon, Mich 8	109.4	106.2	8.83
* Pontiac, Mich 8	107.4	104.3	14.72
Hamilton, Ohio 11	102.3	99.3	10.13
Lima, Ohio 0	102.3	99.3	9.19
★ Lorain, Ohio 14	106.3	103.2	8.25
* Mansfield, Ohio 12	104.3	101.3	10.41
Springfield, Ohio 10	97.7	94.9	10.69
* Warren, Ohio 9	104.2	101.2	8.82
# Beloit-Janesville, Wis. 6	109.9	106.7	9.92
★ Kenosha, Wis 15	115.4	112.0	9.60
La Crosse, Wis 11	101.7	98.7	7.09
* Racine, Wis 10	106.9	103.8	11.99

ities Under 50,0	000)		
Bloomington, III	13	97.2	94.4	5.88
Danville, III,	0	96.7	93.9	6.66
Lafayette, Ind	19	110.2	107.0	7.96
Port Huron, Mich,	0	99.8	96.9	6.43

Buy the BEST★

III, ______14 98.2 95.3

Cities 50,000-99,999

Champaign-Urbana,

IN JUNE BUSINESS ACTIVITY, ROME IS:

- * FIRST in the Middle Atlantic States among all cities regardless of size.
- * SECOND in the U. S. among all cities in its population group.
- * FOURTEENTH in the U. S. among ALL cities.

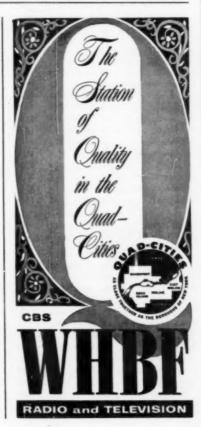
★ Buy ROME

Month after month, Rome dominates the state and the nation as a top-choice market. Buy Rome, schedule the Daily Sentinel, only daily covering the Rome half of the Oneida County market—with \$135,000,000 sales.

FULL or Spot Color Available DAILY New Over 18,500 Daily—ABC

Rome Daily Sentinel

Call, Wire or write
W. S. DeHimer, Adv. Dir.,
for Merchandising Cooperation, Surveys
or Additional Market Information





The pick for profits

Once again Sales Management picks Erie, Pa., as a preferred city in potential sales activity (details in this section). Specifically, the forecast for July, 1960, ranks Erie: 10th in entire U.S. among cities 100-250,000 population - 3rd in Middle Atlantic States among cities 100-250,000 population • 6th in Middle Atlantic States among cities of all sizes. And Employment hit a twoyear high during 19591 Average earnings of industrial employees are 2nd among Pennsylvania markets2 ■ More households fall among top three income brackets than in any other Pennsylvania city of 100,000plus population.3 This is a city-3rd in Pennsylvania and, for many advertisers, 5th in "upstate" New Yorks - where the climate for profits couldn't be better. To make them your profits-by converting sales potential into sales volume-call on The Eric Times & News.

1. U. S. Employment Service

Pennsylvania Bureau of Employment Security, Jan., 1960,
 1960 Sales Management Survey of Buying Power.

4. A study of distribution patterns shows Erie frequently considered an integral part of Western New York, inseparably linked, for marketing purposes, with Buffalo and Rochester.

When
you
think
Pennsylvania
think
Philadelphia
Pittsburgh
— and
ERIE!



The Erie Times
The Erie News

The Erie Times-News

Represented by The Katz Agency, Inc.

-SM-	Busine F O R	E C	A S T	P	t of 1960 ast vs.	City Nat'l Indea 1960 Vs. 1959	Retail Hairs 8 (Million) July	BUSINESS ACTIVITY FORECAST
BUSINESS	* City	City Nat'l	Retail	Duluth, Minn,	0 96.8	94.0	12.07	Cities Under 50
ACTIVITY MAN	the index of 1900	Index 1960	Sales B	Springfield, Mo	21 100.	97.3	13.69	Albany, Ga.
FORECAST 2	4 1969	1959	(Million) July	* Lincoln, Neb 1	13 103.	3 100.8	16.45	Cumberland, Md.
★Elyria, Ohio 1	1 1087	105.5	6.34					Hagerstown, Md
Middletown, Ohio 1		95.8	6.66	Cities 50,000-99,5	999			# High Point, N. C.
Portsmouth, Ohio			6.39	Cedar Rapids, Iowa _ I	16 98,4	95.5	13.81	Salishury, N. C
Steubenville, Ohio			7.76	Davenport, Iowa I	12 100.5	97.6	11.92	* Spartanburg, S. C.
★ Zanesville, Ohio			6.34	Dubuque, Iowa 1	15 99.1	96.2	6.58	Charlottesville, Va.
* Oshkosh, Wis 1		101.7	6.63	Sioux City, Iowa I	14 95.7	92.9	11.68	
* Sheboygan, Wis 1		107.4	4.95	Waterloo, lowa I	10 99.3	96.2	10.25	EAST SOUTH
Superior, Wis.		94.6	3.43	St. Joseph, Mo 1	12 96.9	94.1	9.59	
Superior, wis,	0 21.4	24.0	2.43	Sioux Falls, S. D 1	19 97.	7 94.9	9.79	Cities 250,000- Birmingham, Ala. Louisville, Ky.
WEST NORTH C	ENTR	AL		Cities Under 50,0	00			* Memphis, Tenn
				Hutchinson, Kan I		96.1	6.10	
Cities Over 500,00 Minneapolis, Minn 1		97.5	83.18	Joplin, Mo	3 94.0	91.8	6.42	C'41 100 000
Kansas City, Mo 1		96.2	79.89	Fargo, N. D 1	15 95.5	5 92.7	7.91	t Mobile, Ala.
St. Louis, Mo.		99.2	103.53	* Aberdeen, S. D	5 103.5	100.5	4.47	Montgomery, Ala.
St. Louis, We,		27.6	205.05	* Rapid City, S. D 2	24 104.	3 101.3	7.53	Lickson, Miss, Chattanooga, Tenn
Cities 250,000-49		93.0	33.91	SOUTH ATLAN	TIC			Knowille, Tenn
St. Paul, Minn, 1		99.3	45.57	Cities Over 500,0	00			Nashville, Tenn,
Omaha, Neb 1		94.1	38.87	Washington, D. C 1		99.6	123.23	
Commission of the contract of	2012	2418	20101	Atlanta, Ga				Cities 50,000-9
Civi				Baltimore, Md				Florence-Shelleld-
Cities 100,000-24		00.0	22.02					Tuscumbia, Ala.
Des Moines, Iowa 1		98.0	31.93	C' 050 000 40				Gadsden, Ala.'
Kansas City, Kan		92.2	13.44	Cities 250,000-49		99.5	69.56	* Lexington, Ky,
* Topeka, Kan 1	1 106.6	103.5	15.67	Tampa, Fla.			-	Meridian, Miss,
				Norfolk, Va.				
Month after Month,	the S	ootligl	nt is on	Marina, Va.	J AVE.,	22.1	24.10	Cities Under 50
ELY	D	1	Λ	Cities 100,000-24				
ELI	K		A	# Wilmington, Del 2				WEST SOUTH
				★ Jacksonville, Fla]				Cities Over 500
				St. Petersburg, Fla. 1				New Orleans, La.
Most Dyn	ami	C (Lity	# Augusta, Ga1				* Dallas, Texas
- 1		-		Columbus, Ga.				Houston, Texas
in C	Thic			Savannah, Ga 1				San Antonio, Texas
111	JIIIC	,		Charlotte, N. C 2				
				Greensboro, N. C 2	23 100.5	97.6	20.90	

Elyria leads all 18 Ohio Preferred Cities in business activity for June— 7.8% ahead of the national gain. It is 4th among the 61 Preferred Cities in the East North Central States . . . first in this entire region among cities in its population group.

Dynamic industrial growth and zooming buying power make Elyria the state's No. 1 growth market. Income rose 18% in '59. When you sell Elyria you tap heavily a \$432,722,000-income metropolitan market.

Chronicle-Telegram

"THE FAMILY NEWSPAPER"

ELYRIA, OHIO Circulation 24,440 ABC 4/30/59

DOUBLE the Number of City Families

Represented by The Julius Mathews Special Agency, Inc.

Richmond, Va 17	99.9	97.0	42.90
Roanoke, Va 2	101.1	98.2	13.96
Cities 50,000-99,99	9		
* Fort Lauderdale, Fla. 24	104.0	101.0	23.55
* Orlando, Fla 24	107.5	104.4	27.93
Pensacola, Fla 0	100.1	97.2	11.86
Macon, Ga 16	97.3	94.5	12.03
Asheville, N. C 4	99.2	96.3	11.63
Durham, N. C 11	99.8	96.9	9.85
★ Raleigh, N. C 12	106.1	103.0	13.56
Wilmington, N. C 6	100.0	97.1	6.61
# Charleston, S. C 21	107.2	104.1	11.73
# Greenville, S. C 16	113.2	109.9	14.69
Danville, Va 2	97.7	94.9	5.81
Lynchbury, Va 18	102.9	99.9	7.72
* Portsmouth, Va 14	103.4	100.4	10.16
Charleston, W. Va 5	100.7	97.8	16.50
Huntington, W. Va 0	100.4	97.5	12.86

Wheeling, W. Va. ... 0 97.6 94.8 8.87

★ Winston-Salem, N. C. 20 106.6 103.5

★ Columbia, S. C. ___ 13 103.2 100.2

* Newport News, Va. __ 8 103.6 100.6 12.36

17.25

★ Monroe-West

Monroe, La. 9 106.8 103.7

9.52

BUSINESS	No. o	City	City	Retail
ACTIVITY	No. & Months Out of	Index	Index 1960	Hains
FORECAST	Past 24	VS. 1959	VS. 1959	(Million) July
Cities Under 50		90.7	88.1	5.68
Cumberland, Md.		100.9	98.0	5.36
Hagerstown, Md		97.7	94.9	6.09
# High Point, N. C.		106.2	103.1	6.63
Salishury, N. C		100.4	97.5	3.79
* Spartanburg, S. C.		105.1	102.0	7.87
Charlottesville, Va.		99.6	96.7	6.07
EAST SOUTH	CE	NTR	AL	
Cities 250,000-				
Birmingham, Ala.			95.6	46.02
	1	97.2	94.4	49.54
		109.9	106.7	66.79
Cities 100,000-	249.	999		
* Mobile, Ala	10	103.2	100.2	22.70
Montgomery, Ala.	_ 16	97.1	94.3	16.34
Jackson, Miss,		102.0	99.0	18.33
Chattanooga, Tenn		100.7	97.8	25.24
Knowille, Tenn.		99.1	96.2	21.74
Nashville, Tenn, .	15	96.6	93.8	31.27
Cities 50,000-9	9,99	9		
Florence-Shelleld-				
Tuscumbia, Ala.			93.6	6.71
Gadsden, Ala.'			92.7	6.08
A	15		108.2	14.84
Meridian, Miss,	19	97.3	94.5	5.35
Cities Under 50	7	103.2	100.2	5.68
WEST SOUTH	4 (ENTE	AL	
			-	
New Orleans, La.	0,000	99.1	96.2	70.15
			105.3	113.95
Houston, Texas			98.6	116.62
San Antonio, Texas				59.56
Civi 050 000		000		
Oklahoma City, Okl	499,	100.0	97.1	42.45
Tulsa, Okta.		96.9	94.1	33.90
El Paso, Texas		98.0	95.1	27.92
Fort Worth, Texas		97.1	94.3	52.27
Cities 100,000 Little Rock-North		999		
Little Rock, Ar		97.7	94.9	23.17
Baton Rouge, La.		101.5	96.5	23.62
* Shreveport, La, _		105.6	102.5	23.65
Amarillo, Texas		100.6	97.7	19.15
* Austin, Texas		107.0	103.9	21.33
Beaumont, Texas		96.8	95.9	14.42
Corpus Christi, Tex		96.7	93.9	18.48
* Lubbock, Texas _			111.3	22.03
Witte, Texas	21	101.5	98.5	13.48
Cities 50,000-9				
Ft. Smith, Ark,		95.7	92.9	7.80
Lake Charles, La.	10	93.1	90.4	9.19
★ Monroe-West				

Business Activity FORECAST

ACTIVITY B	No. ± Sonths Out of Past	City Index 1980 vs.	City Nat'l Index 1960 vs.	Retail Sales (Million) July
Y UNDUND!	24	1000	1000	July
Abilene, Texas	. 17	98.2	95.3	10.39
Galveston, Texas	0	99.8	96.9	7.27
* Laredo, Texas	10	103.4	100.4	5.10
Port Arthur, Texas .	4	99.6	96.7	7.98
San Angelo, Texas	. 8	96.8	94.0	6.76
Texarkana, Texas &				
Ark	. 1	100.5	97.6	7.05
Tyler, Texas	0	95.3	92.5	7.02
Wichita Falls, Texas	20	101.4	98.4	12.10

MOUNTAIN

Cities	Over	500,	000			
* Denver	, Cele.		17	103.9	100.9	79.50

Cities 100.000-249.999

Cities Under 50,000 ★ Bartlesville, Okla, ... 2 105.4 102.3 Muskogee, Okla. ... 12 92.5 89.8

	Phoenix,						106.7	53.02
*	Tucson,	Ariz.			24	104.1	101.1	25.83
	Albuque	rque,	N.	M.	22	100.7	97.8	29.22

BATON ROUGE Is On The GROW!

Your sales will be on the grow there, too. It's Louisiana's fastest growing market, second in size — first in buying power. Baton Rouge's \$6,455 effective buying income per household is away out front in Louisiana. It can mean more sales for you. The State-Times and Morning Advocate is the total selling medium in this tremendous market.

*Sales Management Survey of Buying Power

STATE-TIMES

MORNING ADVOCATE

Represented by the John Budd Company

BUSINESS	No. w	City	City Nat*1	Retail
ACTIVITY	Months Out of		Index 1960	Sinfen
FORECAST	Past 24	1959	1959	(Million)

* Salt	Lake	City,	Utah	11	105.0	101.9	35.58

Cities 50,000-99,999

18	95.1	92.3	11.7
6	98.6	95.7	9.5
12	97.2	94.4	8.6
18	113.7	110.4	15.6
24	112.7	109.4	12.5
9	97.3	94.5	8.7
	6 12 18 24	6 98.6 12 97.2 18 113.7 24 112.7	

Cities Under 50,000)		
Boise, Ida 17	97.6	94.8	9.56
Billings, Mont, 14	97.7	94.9	8.98
Butte, Mont 0	91.5	88.8	5.04
* Missoula, Mont. 15/20	108.2	105.0	5.33
Casper, Wyo, 5	96.4	93.6	5.53
* Cheyenne, Wyo 24	118.9	115.4	7.75

PACIFIC

4.29

Cities Over 500,	000	0		
Los Angeles, Cal	17	96.7	93.9	341.82
★ San Diego, Cal	24	114,4	111.1	79.9
* San Francisco, Cal	12	105.1	102.0	114.3
* Seattle, Wash,	18	106.1	103.0	97.3

Cities 250,000-4	99.	999		
Long Beach, Cal,			93.2	44.48
Oakland, Cal	12	100.8	97.9	55.34
* Honolulu, Hawaii	24	109.0	105.8	36.99
* Portland, Ore	20	107.1	104.0	70.92

Cities 100,000-2	49	999		
Berkeley, Cal			99.2	13.74
★ Fresno, Cal	19	113.7	110.4	33.89
* Pasadena, Cal	11	105.5	102.4	26.44
* Sacramento, Cal	17	113.7	110.4	44.17
* San Jose, Cal,	23	106.6	103.5	35.42
Spokane, Wash	0	100.9	98.0	27.49
W	2.0	2000	00.0	00.10

Cities 50,000-99	.99	9		
* Bakersfield, Cal	17	109.5	106.3	20.89
* Riverside, Cal	15	106.5	103.4	14.82
San Bernadino, Cal	10	95.7	92.9	16.95
* Santa Ana, Cal	24	103.7	100.7	19.56
* Santa Barbara, Cal.	16	104.5	101.5	11.34
* Stockton, Cal	15	103.1	100.1	18.91

* Santa Rosa, Cal. 22/23	106.4	103.3	8.11
* Ventura, Cal 22	105.7	102.6	7.18
* Eugene, Ore 20	109.2	106.0	10.99
Salem, Ore, 15	96.9	94.1	10.31
Bellingham, Wash 2	100.8	97.9	5.54
Everett, Wash, 21	101.7	98.7	7.42
Yakima, Wash 11	97.7	94.9	8.76

CANADA

		102.0	100.0	1415.30
ALBERTA				
★ Calgary	8	106.1	104.0	22.71
Edmonton	12	100.0	98.0	34.96

BUSINESS	No.	* City	Nat'l	Retail
ACTIVITY	Out		Index 1960	Sales 9
FORECAST	2	Mt vs. 4 1959	1950	(Million)
BRITISH (
Vancouver		8 101.1	99.1	56.20
★ Victoria _	1	3 112.8	110.6	13.42
MANITO	ВА			
* Winnipeg	2	2 102.5	100.5	31.79
NEW BRU ★ Saint John			105.0	8.47
NOVA SO ★ Halifax		5 103.1	101.1	12.57
		*		
	•			
		2 310 7	100 5	20.01
★ Hamilton	1	2 110.7		
★ Hamilton ★ London	1	1 102.2	100.2	16.52
★ Hamilton ★ London Ottawa	1	1 102.2	100.2	16.52 26.32
★ London Ottawa	1222	1 102.2	100.2 98.8 100.1	16.52 26.32 141.17
★ Hamilton ★ London Ottawa ★ Toronto	1222	1 102.2 1 100.8 3 102.1	100.2 98.8 100.1	16.52 26.32 141.17
★ Hamilton ★ London Ottawa ★ Toronto ★ Windsor	2 	1 102.2 1 100.8 3 102.1 1 103.0	100.2 96.8 100.1 101.0	16.52 26.32 141.17 11.93
★ Hamilton ★ London Ottawa ★ Toronto ★ Windsor	2 	1 102.2 1 100.8 3 102.1 1 103.0	100.2 98.8 100.1 101.0	16.52 26.32 141.17 11.93

Where Can You Make Such An "EXPANDING MARKET BONANZA BUY?"

KMSO-TV, Serving All Of WESTERN MONTANA is

BIG in Coverage

SASKATCHEWAN

BIG in Programming

BIG in Viewership

9 Out of every 10 TV Homes in the Far-Western Montana market view only KMSO-TV.
1,000 × 58 = 58,000 TV HOMES
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NATIONAL REPRESENTATIVES

GURED

More than one million Americans are living proof. Remember...your contributions helped save many of these lives. Your continuing contributions are needed to help discover new cures and, ultimately, the prevention of cancer itself.

Remember, too, if you delay seeing your physician, you drastically cut your chances of cure. Annual checkups are the best way of detecting cancer in time.

Guard your family! Fight cancer with a checkup & a check

American Cancer Society

MARKETS TO WATCH

BUILDING: The 1960's promises to be a period of growing markets for virtually all types of construction, although there will be some changes in emphasis. New construction, plus maintenance and repair, will require nearly a trillion dollars' worth of materials and services in the next ten

According to Dr. George Cline Smith, vice president and chief economist for F. W. Dodge Corp., in addressing the National Construction Conference of the Chamber of Commerce of the U.S., it is conservatively estimated that in the next ten years our population will increase about 34 million. To take care of this increased population, and to provide the rest of us with the continuously rising standard of living we have come to expect, our total output of goods and services (Gross National Product) must rise from its present level of about \$500 billion a year to somewhere around \$650 billion by 1970. This figure is in constant 1960 dollars. "A very moderate inflation," Dr. Smith points out, 'could make the actual figure, in 1970 dollars, considerably higher - perhaps more than \$800 billion.

"Total new construction, now running at about \$55 billion a year, will have to rise to at least \$65 billion by 1970, again in constant 1960 dollars. This means that during the 10-year period, some \$600 billion will go into new construction, with quite possibly another \$300 billion for maintenance and repair."

As to change, Dr. Smith cites particularly prospects for substantial changes in the product-mix of housing during 1960, as a result of population trends and economic realities; and possible tax alterations, which will put increasing emphasis on apartment building. Among the reasons for more apartment building: relative neglect of this type of structure in the period after World War II; increased costs of single-family homes which "are prodigious consumers of land and facilities"; the fact that the most rapidly growing adult population groups will be among the young, newly married, and the elderly. "Both groups," Dr. Smith points out, "are more likely to want and to be able to afford smaller units, and presumably will prefer-or have to accept-rental units.

Projecting beyond the 1960's, it is estimated that our national population will just about double by the year 2000. We will literally, in the life of a 40-year mortgage, have to build another U. S.

THE COLLEGE STUDENT: By 1970, it is estimated, the total college student enrollment will be double today's 3,242,000 enrollment. The number of institutions will increase substantially; small colleges will become large colleges and large universities will become even larger. According to Student Marketing Institute, Inc., by 1965, 43% of the U.S. population between the ages of 18-21 will be enrolled in colleges or universities. The largest number of students are in the northeastern and midwestern colleges and universities. Two-thirds of the student population are men, and 40% of all college students are in the U.S. labor force. Married students account for approximately 24% of the college population.

The college student is an important consumer (see SM, Nov. 16, 1956), with 37% more to spend than the average American. The preferences he had before college must change. He has a new way of life and his needs and tastes will be different. Often these tastes and preferences will continue long after college days when the student will form a family unit. Now is an important time to sell and influence these future American con-

Here are some figures on the growth of the market: The total number of U.S. colleges and universities in 1956 was 1,850. By 1958 the number had increased to 1,950. In 1958 there were 3.2 million students enrolled, a growth of 36% over the 1953 enrollment. All estimates now point to a 7-millioncollege-student population by 1970. These estimates are based on just two sets of figures: a known student population at college-entrance age and the percentage of high school graduates entering college. The latter figure is now approaching 40%, and for the last 20 years has increased about 1% a year. If the percentage of high school graduates entering college continues to increase, the college population will be even larger than anticipated.

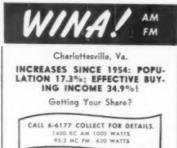
College students spend considerably more than the average person on goods and services. Total purchases of even a little over \$1,000 a student would make it a \$4-billion market. They are the leaders, the high earners of the years coming up.

Fresh

There is nothing so fresh as a new idea. Having fresh ideas is what keeps companies moving ahead, the arts expanding, the sciences dynamic — and magazines vital.

In business magazines, you can measure vitality by the number of fresh ideas a publication brings to its audience issue after issue. At Bill Brothers, fresh ideas for the industries and businesses its publications serve are company policy.







COMING SOON

"How to Sell Against Imports"

Sales Management

EXECUTIVE SHIFTS IN THE SALES WORLD

ABC Radio Network, New York— James E. Duffy promoted from sales director, Central Division, to national sales director. He has been with ABC for the past 11 years.

A. S. Harrison Co., South Norwalk, Conn.—Elliot H. Hartford appointed vice president, marketing. For the last 12 years he was with Pepperell Manufacturing, most recently as a department manager.

Humble Oil & Refining Co., Houston—William W. Bryan assumed the newly created position of marketing vice president. Previously he had been marketing vice president of the Carter Oil Co. division.

Ingersoll-Rand Co., New York—Joseph A. Wiendl appointed sales manager. Joining the company in 1941, he has served in various capacities, and was most recently assistant general sales manager.

Koch Refrigerators, Inc., Kansas City, Kan.—Richard W. Kunkle appointed general sales manager. For the last three years he has been sales manager of Midwest Research Institute.

Riegel Paper Corp., New York-Robert L. Kerridge, vice president, named marketing director. He joined the company in 1934, and was elected a vice president in 1953.

Roland Reed Productions, Inc., Hollywood – Frederick R. Cross named vice president in charge of sales. For

many years he had been advertising director of Stewart-Warner Corp.

Signode Steel Strapping Co., Chicago—Robert N. King appointed director of foreign sales. He has filled overseas assignments for the company since 1952, and in 1957 set up the German subsidiary.

Smith-Corona Marchant, Inc., Syracuse, N. Y.—Roger Rush appointed sales manager of Photocopy Products of the Smith-Corona Division. He was formerly western division manager of American Photocopy Equipment Co.

Texaco, Inc., New York – John W. Green elected vice president in charge of domestic sales. He joined Texaco in 1935, and has been assistant general sales manager of domestic sales since 1959.

Transfilm-Caravel, Inc., New York— James L. Wolcott appointed vice president in charge of sales coordination, a newly established post. Previously he had been with Wilding, Inc., and was president of Pathecolor, Inc.

United Air Lines, Chicago—J. J. Dierssen named sales manager in the Oakland, Cal., territory. He joined United in 1944; for the last three years he has been sales promotion manager at Chicago headquarters.

Whirlpool Corp., St. Joseph, Mich.— Thomas F. Bartley, former field sales manager, promoted to general sales manager.

Allen B. Wrisley Co., Chicago—Paul Skillman, Jr., appointed general sales manager. For the last 12 years he has held various posts with Toni Co., most recently as merchandising manager.



Aere Mayflewer Transit Company
Alteena Mirrer 124 American Motors 119 Agency: Geyer, Morey, Madden &
American Telephone & Telegraph Co.
(Long Lines) 106
American Warehousemen's Association 7
American Viscose Corp49, 50, 51, 52 Agency: Arndf, Preston, Chapin, Lemb & Keen, Inc.
Beton Rouge State Times
Agency: McCann-Erickson, Inc. Better Homes & Gardens70-71
Agency: McCulann-Erickion, Inc. Better Homes & Gardens
Business Week
Campbell-Ewald Company
Celonese Corp. of America 47
Agency: Ellington & Company, Inc. Central Outdoor Advertising
Agency: Gillham Advertising Agency Chicago Daily News
a Osborn, Inc.
Chicago Tribune
Close & Patenaude 103 The Copy Shop 130 Agency: Alan Goodman Advertising
Coriethian Stations
Darfnell Corporation 9
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Agency: Torkel Gundel & Associates
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The Economics Press
The Economics Press 29 Agency: Black Little & Co., Inc. Elyris Chronicle-Telegrom 126 Erie Times-News 125
Agency: Peter Zanphir/Advertising Executive House 62 Agency: Olian & Bronner, Inc.
Santha Marke
Family Weekly
Fosses Products 90 Agency: Cart Liggett Advertising, Inc. Pood Engineering63, 64, 65 Agency: Royal & de Guzman, Inc.
Agency Needham & Grohmann, Inc. 48
Greensbore: News-Record
Jam Handy Organization2nd Cover Agency: Campbell-Ewald Company
mearst Magazines
Agency: Lynn Baser, Inc. Hollywood Beach Note: 90 Agency: Gardner & Stein Hospituls, Journal of American Hespital Association 25
Hospital Association
Indianapolis Stor & Nove-
Indianapolis Star & News
Industrial Equipment News

ADVERTISERS' INDEX

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Cecelia Santoro

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Madeleine Singleton

PRODUCTION MANAGER

Virginia New

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KLM Royal Dutch Airlines	102
& Ryan Inc. KMSO-TV (Missoula, Mont.) Agency: Westmont Advertising Agency	127
Look Magazine Agency: McCann-Erickson, Inc.	59
Life Mogazine	115
Lubbock Avalanche-Journal	130
Joseph Lucks & Staff	4
E. F. MacDonald & Company3rd C Agency: Don Kemper Inc.	over

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Agency: J. Walter Thompson Company McGraw-Hill Publishing Company	-23
Agency: Fuller & Smith & Ross Inc. McGraw-Hill Publishing Company	24
Agency: Fuller & Smith & Ross, Inc. Machine Design	91
Agency: Fuller & Smith & Ross, Inc. Machine Design Agency: Beaumont, Heller & Sperling Merita, Inc. Agency: Frank Block Associates	77
Meriden Record Journal	45 123
Associates, Inc. Million Morket Newspapers, Inc. Agency: N. Y. Ayer & Son, Inc. Milwaukee Journal	28
	20
Montgomery Advertiser-Journal	110
National Blank Book	84
National Blank Book Agency: Sutherland-Abbott Advertising Nation's Business Agency: Van Brunt & Company	89
Nation's Business Agency: Van Brunt & Company New Leaden Day Agency: Gordon Schonfarber & Associates, Inc.	124
Associates, Inc. New York News Agency: L. E. McGivena & Company, Inc. Nerwich Bulletia	124
TOO WIGH BANKETIN CLICCLES CLICKERS CLICKERS	147
Packaging Corp. of America	21
Parade Magazine Agency: Reach, McClinton & Company, Inc.	42
Parade Magazine Agency: Reach. McClinton & Company, Inc. Pittsfield-Berkshire Eagle Portland (Mc.) Press-Herald Express Agency: J. M. Bochner Advertising	122
Product Engineering	99
Product Engineering Agency: Klau-Yan Pietersom-Dunlap, Inc. Purchasing Magazine Agency: The Schuyler Hopper Company	72
RCA Custom Record Sales	82
Angery: Gray Advantising Angery Inc.	105
Rallway Express Agency Agency: Benton & Bowles, Inc. Rome (N.Y.) Sentinel	125 ′
Saturday Evening Post	41
& Osborn, Inc., Schneidereith & Son	12
Agency: Gray & Rogers Advertising Scot Ties, Ltd. Agency: Gerald H. Keller Advertising	130
Sheraten Corp. of America	111
Agency Tongon (Section 2) Agency John Glory Company Agency: Creative Graphic Advertising Co. Steinman Stations (WGAL-TV) Agency John Gilbert Crait Advartising	46
Steinman Stations (WGAL-TV)	16
Syracuse Newspapers	96
TV-Guide	78
Agency: Gray & Rogers Advertising Tocoma News Tribune Agency: The Condon Company	32
Thomas Register	5
Agency: W. N. Hudson Advertising Tulse World Tribune Agency: Ferguson-Miller Advertising	76
United Air Lines	97
United Air Lines Agency: N. W. Ayer & Son, Inc. U. S. Industrial Chemicals Company Agency: G. M. Rauford Company	69
Agency: G. M. Basford Company U. S. News & World Report Agency: MacManus, John & Adams, Inc.	43
WRTW (Florence, S. C.) Agency: Henry J. Kaufman & Associates WHBF (Molline-Rockt Island) Agency: Clem T. Hanson Company WINA (Charlottesville, Yu.) Woll St. Journal	56
Agency: Clem T. Hanson Company WINA (Charletteaville Ve.)	125
Agency: Martin K. Speckter & Associates	117
Agency: Stevenson & Scatt Ltd.	66
Woonsocket Call Agency: Gordon Schonfarber & Associates, Inc.	122

Young & Rubicam, Inc.

Secret Weapon from Britain

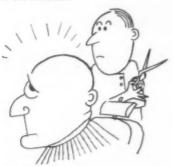
"Will you hold on whilst I locate Mr. Jones, sir?"

Whilst we waited we began pondering the newest status symbol – the British secretary – of New York Big Business. Thrse efficient, often attractive gals have been arriving on every boat and they're hired before they can say "Hurricanes Hardly Ever

Happen."

Jones came on the wire and we got so interested in talking to him about his gel Chewsday that we forgot what prompted the call. Why did he hire an export model? "She can spell," he told us. "She's even learned to spell 'candor' without the 'u.' And that cultivated accent moves mountains! She gets to work on time; she doesn't expect a 2-hour lunch, and any old afternoon you can find her willingly hammering away at the typewriter at 5:30."

Trouble is, she's temporary, he sighed. Wants to take a job in San Francisco. "Awfter all, Mr. Jones," she announced with rare candour, "I did come heah to see America."



"Ye Shall Know . . . "

For heaven's sake, don't let your wife hear about it, but a recent ad in New York newspapers by Albert of Fifth Avenue announces "Executive Haircuts." "Styling" will set you back four bucks. Thereafter, the price of the shearing is \$2.25.

And Albert has a motto: "And ye shall know a man by his crest."

Ups and Downs

"People on the way down," says our waggish editor, "read Playboy." Down the Primrose Path, he means.

People on the way up (and out), on the other hand, can now drink Pepsi-Cola from a dispenser. Pepsi tells us, with pride, that Panagra flights to Latin America boast the first soft drink dispensers ever to take to the air in commercial planes.

Luck of the Irish

Had a glass of Irish coffee (heated glass, spoonful sugar, jigger Irish whiskey, hot strong coffee; stir like mad, then float heavy cream over the top) with a charming, un-stereotype Irishman. Name's Michael O'Reilly. Chap has what sounds, to our untutored ear, like an Oxonian accent-treasonable thing in a Celt. He works, in Eire, for Irish Whiskey Distillers Assn., mostly answering the 35,000 letters from Americans, triggered by provocative ads in The New Yorker.

"I have dealt," said he, pulling on a mustache-provoking sip of Irish coffee, "with queries as to the color of the eyes of the late Lord Dunsany, suitable publishers in England and Ireland for masterpieces not vet published in the U.S. . On at least one occasion I even acted as Cupid. Happened thus: We postulated in Scientific American an Irish Geophysical Year expedition to McMurdo Sound, to discover the innate qualities of the Irish Whiskey Drinker. We supplied identity cards to recruits, some classified as Irish Whiskey Drinkers, some Non-Irish Whiskey Drinkers. Lest the latter, called the Control Group, prove unwieldy, we put some IWD's in touch with Non-IWD's and suggested a small crusade to reduce the size of the Control Group. In due course one Alfred Smith of Detroit wrote that he had received his card of the 17th of September and promptly met Miss Sabatini of the Control Group. He had two things to report: First, he had converted her to Irish whiskey. Second, he had married her with full papal blessing October 19th. Need I say that a wedding present from Ireland was sent with very hearty congratulations?"

Need we say what the wedding present was?



How to Buy the Earth

Clyde T. Cadwallader, who has just been through the delightful experience of having published what looks like a best seller, says he parlayed a \$200 initial investment in real estate into a fortune. His book is "How to Make Money Speculating in Real Estate."

Cadwallader (teaches a real estate course at a Buffalo college) was in town recently and gave us some tips on how to buy and sell the Good Earth for fun and profit. Among his

tips:
"The time to pick the best bargain is when the outlook is most discouraging.

"It is better to make only such improvements in property as will point the way for your prospects. Let them take it from there.

"Until you have reached a definite decision as to what you should do with your property, you should do nothing with it."



To put more

force in your sales force...call in

The E.F. MacDonald Company*

When the design is frozen, the price is set, and the merchandise starts rolling off the lines . . . who makes the difference between success and failure?

Salesmen, of course! Your company's profits depend on the time and work devoted to your products by factory representatives, wholesale men, retail merchants.

That's why experienced executives like to put more force in their sales forces with an EFM sales incentive campaign for all levels of distribution. Tens of thousands of successful campaigns prove that EFM service is the one best way to motivate salesmen.

Techniques developed and tested during 38 years of service assure maximum participation and effort. EFM runs more than 3,000 successful campaigns a year. EFM commands hundreds of specialists in every aspect of incentive promotion – far more manpower than a single company could assign to the job.

The EFM catalog offers 2,500 nationally advertised prizes . . famous brand names that make your salesman a hero at home and the envy of friends . . . top quality gifts that provide every man with one incentive he wants most!

With merchandise prizes, you give more for less, buying at wholesale and giving at retail, paying nothing extra for EFM service.

For as little as a penny per dollar of extra sales, you can go a long way toward insuring a record-breaking sales year in 1960. And you don't pay for the prizes until the extra sales are produced!

So why wait? Ask-about EFM success insurance today! Use all these professional EFM services

TRAVEL Trained to protect your corporate reputation as a host, world-wide EFM travel specialists arrange all details of holiday incentives and convention travel.

CREATIVE Skilled in creating excitement among incentive plan participants and their wives, the EFM creative department is also wellgrounded in all types of sales promotion and sales training material.

MEETINGS AND CONVENTIONS Experienced idea men, script writers, talent scouts and producers will handle the entire meeting.

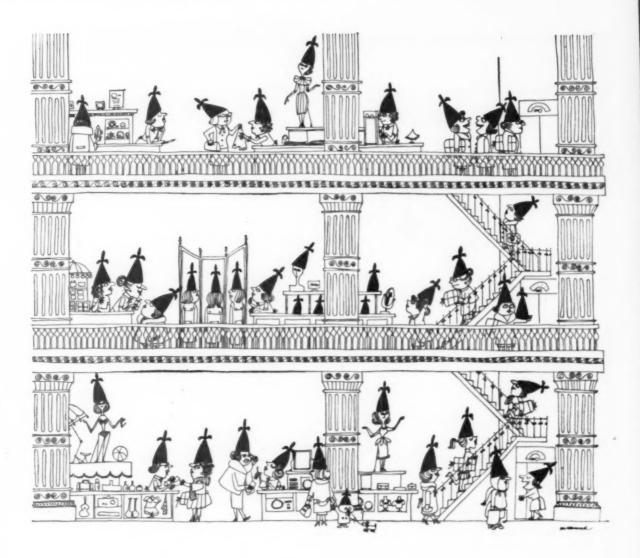
FILMS AND VISUAL AIDS Slide and strip films, charts and graphs, sales presentation books, sales training programs and other visual materials demonstrate the EFM flair for showmanship.



The E.F. MacDonald Company world-wide sales incentive service

DAYTON I, OHIO . . . OFFICES IN THIRTY CITIES IN THE UNITED STATES, CANADA AND EUROPE

*New corporate name for Cappel, MacDonald & Company, Belnap & Thompson, Inc., Ross Coles & Company, Inc.



Media's Law:

To a seller of millinery, the pulling power of an advertising medium is equal to the amount of millinery sold.

To media men, pulling power is influenced by several inter-related factors.

The law or formula looks like this:

Pulling Power

=
Circulation Volume

×
Editorial Vitality

×
Reader Confidence

The larger measure of these ingredients in the Chicago Tribune accounts for the greater results produced for advertisers.

The Chicago Tribune, with a circulation 1½ times that of any other Chicago newspaper, out-pulls the other papers by at least 3 to 1 and as much as 15 to 1.

More Chicago families read the Tribune than the top five weekly magazines combined; more than six times as many Chicagoans turn its pages as turn on the average evening TV show!

Chicago Tribune

